

has risen from 25 to 42; Wabash was 17 less than six months ago, and is now 60. In Paris, the *World* says:—"There is a remarkable turn of speculation going on. Companies are being brought out at enormous premiums. Shares of a new bank of 500 francs each have been issued at a premium of 200 francs. The public have not only bought up the shares at this price, but have added a premium of 150 to 200 francs. This bank has bought out the Grand Hotel for more than a million pounds sterling." Bubbles burst!

English society is to be congratulated on the stern justice meted to the Editor of the London *Town Talk*. Mrs. Cornwallis West and Mrs. Langtry were undoubtedly right in dragging the foul libellers to Court; and it is to be hoped that so-called society papers will take warning and deal less in such foul aspersions of private character. But all who are acquainted with English society must know that this sort of scandal is confined to newspapers, which, lacking everything else of interest to the public, fill their columns with the veriest garbage to catch the pence of the vulgar crowds who delight in seeing dirt flung at their betters. It is time to put a stop to this iniquity, and the incarceration of the Editor of *Town Talk* will, doubtless, prove a wholesome example.

I cut the following from the *World*, and it seems to be as reasonable as it is hopeful in tone:—

"It is now nearly a year since we heard of the beginning of better times in the United States; and shortly thereafter we were familiar with the aphorism—true in the single instance, though hasty as a generalisation—that the course of trade revival is from west to east, and that we should soon therefore repeat in England the experiences of America. Though the prediction has been tardy in fulfilment, we are witnessing it at last. Stimulated by her bountiful harvests, America has begun to import more largely than she had done for years previous. There, too, the revival of credit has produced wonderful and sometimes perilous effects on the Stock Exchanges of the Union. Under the impetus given to the reconstruction of railroads an enormous demand sprang up for iron. Prices have advanced almost by bounds. Pig-iron, which was 40s. per ton six or eight weeks ago, is now 64s. per ton, or an advance of 56 per cent. Iron has led the way, but other things have followed. Our defective harvest has mainly caused the rise in bread stuffs; but in addition to such special causes, there have been wider influences which indicate a general upward movement. We may hesitate to aver with a contemporary that the American revival has rather been the occasion than the cause; but there is little doubt the American improvement has produced improvement generally; for all things were ripe for the change that has come. With the expectations, or growing confidence, as we may now say, which is the mental element in the case, of a change for the better, the discredit has disappeared that kept prices at abnormally low levels. This movement will continue to be reinforced from the West. Americans and Canadians have alike been working hard and living sparsely in order to send away the largest quantities of bread-stuffs and meat they could manage to do without to be converted into cash. When the exceptional strain thus put upon American production and exportation ceases, and there is no longer the same necessity to economise, the consumption will grow larger at home, the surplus, for export will be smaller, and with more capital to dispose of there will be an impetus to derive larger supplies of manufactured goods from Europe. Our Board of Trade Returns already testify to the operation of these agencies; for our exports are at last showing healthy signs of expansion, and a sensible check has been laid upon extravagance in imports. To sum up. Revival of credit stimulated by increasing resources derived from abroad is developing a spirit of enterprise; and there is good prospect of a healthy and improving trade which the warnings of the recent past will probably prevent from passing over into inflation—at least for a time."

It is well that a better day has dawned for England, for some tremendous bills will soon have to be paid. Afghanistan, under some guise yet to be discovered, must become a dependency of the Indian Empire. And that must necessarily impose heavy and permanent charges. But who is to pay the bill? British public opinion is now thoroughly awake to the fact that India is approaching a state of absolute bankruptcy. Less than eighteen months ago, the Indian Finance Minister, after a fiscal review of the preceding seven years, was compelled to acknowledge that he could find no real surplus of revenue over expenditure with which to meet the many contingencies to which that great country is exposed. His figures were indisputable, and the lesson was alarming. A policy of strict economy was inaugurated—outlay on new projects was in some cases curtailed, and in others stopped altogether. And now the ugly question comes up for

answer: How is India, which cannot meet her present expenses without borrowing, to defray the cost of last year's war in Afghanistan and the additional charges imposed by the recent outbreak in Cabul? The English are a practical people, and nothing brings them to their senses like having to pay through the nose for some extravagance. So the chances are that they will in the near future wreak summary vengeance on their idol whose "peace with honour" was only a delusion and a snare.

I would call attention to the Financial and Statistical Column added to the SPECTATOR. The Railway Traffic Returns are not given so complete and early in any other paper in the Dominion; and the Bank statement is prepared in a manner different to any other. Those interested either in Banks or Railways will afford me gratification by furnishing such information as will tend to the accuracy and completeness of what I publish.

I am deeply grateful to the many contemporaries who quote paragraphs from "The Times" in the SPECTATOR, although they rarely give me credit for my writing. Imitation, it is said, is the sincerest form of flattery; and I have every reason to accept the truth of the adage.

EDITOR.

SPECIALIZING INDUSTRIES.

Their theory of the differentiation of Industries forms a fair example of the manner in which the Political Economists proceed when they have a favourite point they desire to carry. Man, being at the outset a hunter and next a herdsman and an agriculturist of a rude sort, only by degrees discovers the constant expansion of his own needs, and by degrees trains to supply them through the exercise of the ingenuity with which the great Creator has gifted him, adding, as time goes on, one invention to another, and becoming a crude but varied manufacturer. This of manufactures we may class as the third stage of his industrial education, though, if disposed to quibble, we may declare that he could not till the ground without first constructing a tool of some kind, the fact being that the first tool might be no more than a branch torn from a tree and rudely sharpened in the fire. Working in metals would follow, not precede the sowing of grain; and when the new art had arrived, it would of course add immensely to the efficiency of agricultural labour. By degrees the man would get his house furnished with the utensils of cooking, and the means of enjoying his meals in decency, community and order. Then would come improved clothing, boats and wheeled carriages, buildings of a better design, and by degrees would grow up all that culture of ornament which is the natural and varied outcome of the taste for beautiful objects implanted in the mind of every human creature. Art would afterwards become creative.

Here is a progressive education, necessity and circumstances being, under Providence, the great teachers. One would suppose the true philosopher, while he rejoiced in the supply of the material wants of the human being, would find his chief satisfaction in the improvement of the mental perceptions, the moral faculties and the muscular energies of the creature he is solicitous about, and which have been so gradually, but so persistently advanced in the natural unfolding of the life of the early generations, the advancement bringing along with it, as an incident, commerce with other tribes or peoples, and art and poetry and music as the solaces of the universe of the busy material adapters. One would suppose our friend would be mainly desirous to trace the educational effects in the broadest sense of the progress to which he has given the name of Differentiation of Industries. But we are soon undeceived. Our critic has been coining money in the interval that has elapsed since his first discoveries, and has put it into the hands of his neophytes, and set them to trading with one another, which they had already begun to do in an imperfect way by barter. All well and good, we say. At first, the trading has been between adjacent villages, and often single villages had got mutually supplied in the requirements of their individual members; the intercourse for exchange has extended to districts and countries, involving travel and enterprise, while more or less speciality of industry has been developed in the producers. There can be no need to deny the advantages of commerce at the proper stage in a nation's history, nor the manner in which the products of various climes may mutually fulfil the wants of populations and add to their comforts. But a little inquiry will shew that while this specialization, or differentiation, adds to luxury and enjoyment in the consumption and use of valued products, it very soon begins to dwarf the mind of the producer, and to restrain the educational facilities that until commerce had become thus widely extended, were constantly being enlarged through the pressure of personal needs, and discovery of means of supplying them, through intercourse with external nature, and the social union of men and families of varied occupations and views of life. But accumulation may be greatly promoted in the specializ-