

canals, and all manner of public works required by the commercial, agricultural and industrial enterprises that were expanding on a colossal scale. What has been achieved is shown by following comparisons:

EXPANSION OF UNITED STATES SINCE 1860.

	1860.	1880.	1900.
Population.....	31,443,321	50,155,783	76,303,387
Wealth	\$16,159,616,000	42,642,000,000	94,300,000,000
Wealth p. head.....	\$513.93	850.20	1,235.96
Circulation.....	\$435,407,252	973,382,228	2,055,150,998
Circ'n per head.....	\$13.85	19.41	26.93
Dep'n Sav. bks.	149,277,504	819,106,973	2,449,547,895
" in N'l bks.	1,006,452,853	2,508,248,558
Production of wheat bshls.	173,104,924	498,549,868	522,229,505
" of corn.....	838,792,742	1,717,434,543	2,105,102,516
" of cotton, bales	4,361,292	5,761,252	9,436,416
Railways miles,	30,626	93,262	194,321

The output of pig iron in the United States has more than doubled since 1891, and the expansion has been chiefly since 1897, when the era of depression passed away as the following shows:

OUT OF PIG IRON.

1891.....	8,279,870	1898.....	11,773,930
1893.....	7,124,500	1900.....	13,789,240
1895.....	9,446,300	1901.....	15,775,350
1897.....	9,652,680	1902.....	17,821,300

In the last 30 years the public debt of the United States has been reduced to extent of over one thousand millions of dollars, towards effecting which the excess of exports over imports contributed.

What is the exact state of the financial relations between the United States and Europe is not known. That an enormous amount of American securities is held in England and on the continent of Europe is, however, known. Sales in London of huge batches of American railway and industrial shares are on record. In 1898 there were sold in London \$6,000,000 of Reading Railway bonds; 50,000 shares of Erie; \$52,000,000 New York Central; 30,000 shares Northern Pacific; \$10,000,000 Southern Pacific and other bonds. In successive years these operations were repeated. In 1899, 1900 and 1901, for instance, the London market took over \$250,000,000 worth of the stocks and bonds of American enterprises. The "London Times" of 7th June last said that, a prominent foreign exchange expert, estimates the United States borrowings from foreign banks at \$500,000,000 and was then increasing. Large then as have been the trade balances of exports and exports in favour of the United States, they have, at least, not exceeded the annual foreign debts which have to be provided for out of exports. ital, expenses of travelling Americans, remittances. These debts arise out of dividends on foreign capital to American settlers in Europe, freights paid to foreign vessel owners, immigrants' remittances, etc., etc.

These cause a heavy drain in the annual income of the United States, but the resources of the country are so vast, its accumulations of solid wealth so enormous, and its productive capacities so largely

in excess of the home demand, that the financial foundations of the United States are not to be shaken by the tremors and rumblings which temporarily disturb the money market. The system of draining gold away from the channels of trade by taxation and piling up in the vaults of the Treasury where it is utterly useless is idiotically foolish, it is a proclamation by the government of the United States that the banks of the country are not to be trusted, it puts the limbs, as it were, of trade into a strait-jacket to check their activity. The banking and currency system of the United States is an ever present danger to the national credit; it restrains what it should develop, and paralyzes those energies which it ought to invigorate.

UNITED STATES STEEL CORPORATION.

The first annual report of the United States Steel Corporation is without precedent amongst the annual reports of trade companies. The total liabilities are stated to be \$1,546,544,234, which is just six times the amount of the net debt of Canada. The capital stock is made up as follows:

Common Stock.....	\$508,302,500	
Preferred Stock.....	510,281,100	
		\$1,018,583,600
Capital Stocks of Subsidiary Co.'s not held by the United Steel Corporation (par value).		
Common Stocks.....	44,400	
Preferred Stocks.....	72,800	
Lake Superior Consolidated Iron Mines.....	98,714	
		\$215,914
Total Stock Capital.....		\$1,018,799,514

BONDED AND DEBENTURE DEBT.

U. S. Steel Corporation Bonds.....	\$303,757,000	
Less redeemed and held by Trustee of Sinking Fund.....	2,698,000	
Balance held by public.....	\$301,059,000	
Subsidiary Co.'s bonds, do.....	59,654,900	
Debenture Scrip, Illinois Steel Co....	40,426	
		\$360,754,326
Mortgages and purchase money obligations.....	9,590,550	
Current liabilities.....	49,826,253	
Total Capital and Current Liabilities.....		\$1,438,970,643
Sinking and Reserve Funds.....		25,217,747
Bond Sinking Funds.....		4,481,246
Capital Surplus provided in organization of U. S. Steel Corporation.....		25,000,000
Surplus accumulated by all companies since organization of U. S. Steel Corporation.....		52,874,597
Total Liabilities.....		\$1,546,544,234

The assets consist of the following:

Properties owned and operated by the companies, net.....	\$1,325,267,583
Expenditures for improvements, explorations, stripping and development at mines, for advanced royalties, chargeable to future operations of the properties.....	3,178,759