

service in the building up and development of new country. This artistic production will doubtless be appreciated by the Bank's numerous shareholders and customers as a decidedly attractive memento of the completion of a period, regarding which all who are connected with the Bank, and especially the directors and officers have every reason to be proud.

The subjoined table, compiled recently by the London Economist, contains some informing figures with regard to the destination of the British capital that goes abroad for investment. The figures refer only to public issues made in the London market, or issues concerning which circulars are sent round, and do not include issues negotiated privately. The figures are, therefore, in the case of many countries, not conclusive as to the extent of the new interests of British investors in the periods covered by the table, but at the same time they necessarily carry much weight, as being a material portion of the whole of the evidence that is available with regard to the constant distribution of British capital throughout the world.* It will be observed that the major

portion of this exported British capital goes beyond Europe; the European countries in the table are all credited with comparatively small amounts except Russia, and Russia stands upon a somewhat different footing from the remainder of Europe as a vast country, whose resources are still relatively undeveloped. The principal Russian borrowings are, however, made in Paris, and it is only quite recently that there has been in evidence an effort to enlist the capital of Great Britain more actively in the development of the Muscovy Empire. British capital now going abroad, spreads all over the world, literally, "from China to Peru." And it goes in largest quantities to the countries which are "new" in the economic sense. This year, the countries outside Great Britain, which have been the largest borrowers in London to date are, in the order named, the United States, Canada, India and Ceylon, Brazil and the Argentine. Largely without doubt, this export of British capital takes the form of imports by the countries named of British manufactured products. Some of these will be used for transportation purposes; other in the cultivation of food-stuffs and raw materials, for the purchase of which by Great Britain subsequently the interest due upon the capital pays. So that by the act of export of capital, a chain of events is started that expands British trade, not only at the time of export, but subsequently continuously, so long as the processes set on foot by the capital exported are continued.

Bolstering Up Government Stocks.

In view of the statement by our London correspondent made on a subsequent page with reference to the suggested standardisation of Consols, it is interesting to note what the German and Prussian Governments are doing to bolster up the prices of their securities, which stand now at a level about ten points below that of eight years ago. It is possible, for instance, for an investor in the most isolated village in Prussia to acquire Prussian Consols through the medium of the postman! Two other very practical reforms have been introduced. The one is the facility offered to the public to buy of the Government direct, without the intervention of banker or broker, on the basis of the price of the day, by simply paying the amount into one of the State Banks authorized for the purpose. The investor receives an acknowledgment that his loan to the Government has been duly entered in what is called the "Schuldbuch" and no actual certificate of stock is issued. Nor does the Government create or purchase the stock, but it simply makes a book entry, having been granted a certain margin of credit for the purpose by the Reichstag. The market, it is true, loses the corresponding buying orders and support, but the public are tempted to buy more by the inducement of a free title. The arrangement has, moreover, this advantage that if, later on, the Government desires to issue a new loan, the amount need not only be calculated at a figure, less the amount of the above-mentioned book entries. The total entries have so far reached the respectable sum of 931 million marks. The other facility which has been proposed is that

DESTINATION OF NEW CAPITAL SUBSCRIBED IN LONDON
DURING FIRST NINE MONTHS OF THE LAST THREE
YEARS, 1908-10.

(Compiled by the Economist, London.)

	1908 £	1909 £	1910 £
UNITED KINGDOM....	42,026,500	16,277,500	54,845,500
BRITISH POSSESS			
Canada.....	20,368,900	23,049,000	31,883,900
India & Ceylon.....	11,968,200	12,536,400	13,279,100
South Africa.....	4,695,900	10,831,000	3,304,100
Australasia.....	3,456,600	10,943,900	7,359,000
Other British Poss'ns	6,833,000	7,406,800	13,495,500
Total.....	47,325,600	64,767,100	69,321,600
FOREIGN COUNTRIES			
Russia.....	3,166,500	8,734,100	3,628,800
Austria-Hungary...	.....	.....	4,058,000
Bulgaria.....	.....	.....	3,603,600
Finland.....	.....	2,263,400	113,000
Denmark.....	2,121,000	487,500	1,089,000
Sweden.....	2,940,000	881,000	.....
Norway.....	.....	381,100	50,000
France.....	708,000	316,700	220,000
Turkey.....	.....	.....	1,356,600
Germany & Poss'ns	.....	.....	771,000
Dutch East Indies...	.....	.....	4,302,900
Holland.....	125,000	23,000	.....
United States.....	14,502,600	5,378,300	38,021,100
Brazil.....	7,943,500	6,619,900	11,397,200
Argentina.....	8,396,900	19,065,200	10,641,000
Chile.....	1,298,800	4,098,000	3,823,700
Mexico.....	3,416,900	9,067,600	4,079,800
Cuba.....	.....	.....	1,916,200
Philippine Islands...	1,037,500	.....	403,900
Central America.....	14,600	1,591,700	.....
Other S. Am. Reps.	3,355,600	1,195,800	1,085,000
China.....	2,581,100	740,000	494,500
Japan.....	.....	4,213,600	.....
Other For. Countries	255,200	2,666,500	1,551,900
Total.....	51,863,200	67,723,400	92,588,200
Total for First Nine Months..	141,215,300	148,768,000	216,755,300

*The subject of the extent of Great Britain's investments abroad was discussed in an article, Great Britain's Income from Investments Abroad, which appeared on September 30, p. 1417.