

THE SHAREHOLDER.

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AMERICAN "SMARTNESS."

A FEW weeks ago a leading American magazine asked the daring question, "Are we a nation of rascals?" and had the still greater temerity to answer its own question in the affirmative. And now the New York Sun closely follows suit, intimating beyond any misconception that the national character for honesty and fair dealing is hopelessly tainted in European opinion at all events. That great metropolitan journal does not hesitate to assert that if its countrymen had been more honest in their dealings with their European customers and investors they might have been in a very different financial and commercial position from that in which they find themselves so embarrassed to-day. Alarmed European capital would have sought refuge in their country, and the name of the United States would have been as great a business power in the world as the name of London is in Great Britain or that of New York on this continent. But unhappily all the Americans were able to do, says the Sun, "was to beat our customers out of their money. We adulterated everything we sold to them and exacted exorbitant prices. The natural consequence was that they began to prohibit our produce and went to other markets. They come now to us only when they cannot get what they want anywhere else." In investment transactions, this merciless censor continues, the Americans proved to be still more faithless. The amount of foreign capital thus lost to the States is characterised as tremendous, and no one, except a batch of unscrupulous individuals, has benefitted by it. Of course, it claims, the credit of the country is as good as ever, and any amount of capital the Government could want would be offered a hundred times over. But the confidence in corporate and private enterprises is gone, and it may require a whole generation to restore it. The Sun may live to find out that even one entire generation will not suffice to undo so stupendous an injury. So slight a thing as SYDNEY SMITH'S *nut* on Pennsylvania repudiation, uttered under circumstances of much inferior aggravation a good deal more than a generation ago, is still not without its influence in exciting distrust against all things American in which financial trust is in any way involved.

Since then the commercial tone on the other side of the frontier has terribly lowered in the same direction, and hence the timely warning of the Sun, which has thus revived a fact locally almost forgotten—that in these modern days a good character is as essential to a nation as it is to an individual.

STOCK QUOTATIONS, 1884.

WE intend in our next to give place to a complete comparative statement of the actual quotations of all prominent stocks, both Bank and Miscellaneous, at the beginning and at the end respectively of the year just terminated. We should have preferred, had it been possible, to have presented it in the present No., but as the year terminated so closely on this our publication day, to do so became an obvious impossibility. Such a compilation requires not only much labor and perfect exactitude, but it manifestly involves also an amount of careful work for which the necessary time has clearly so far been insufficient. The slight summary in our Stock Market article last week will have sufficed at all events to have prepared the reader for a general fall throughout, with barely an exception, which will make up an aggregate declension to a vast amount. We do not now enter into the question, however, as to whether the real value of these stocks is to be best found in the quotations of the beginning of January last or of the end of December. Those most concerned are likely to solve this for themselves, each making his own personal interest the criterion by which to arrive at a conclusion.

CANADIAN CLEARING-HOUSE.

WE republish elsewhere, under the heading "A Bankers' Bank," a communication advocating the formation of a Clearing-House for Canada. The letter itself, if somewhat lengthy, is probably as brief as the nature of the subject permitted. At all events, if inserted at all, it is only fair to the writer that it should appear in its entirety. There is, it is needless to say, no novelty in the subject itself even as in association with this country, for it has long been a cause of remark that a principle that has worked so beneficently in all the great financial centres outside of the Dominion has not yet been allowed to get foothold within it. The writer suggests that it is the reluctance of our own banks themselves to countenance any important innovation at all that is responsible for our having so long been deprived of a medium for facilitating settlements which, on the surface at least, has so much to recommend it. No one will be found, especially in such trying days as these, to quarrel with any wise conservatism on the part of our financial institutions. But as there must certainly be a good deal to be said on both sides of this particular question our insertion of the letter may be the means of opening up a discussion in which all its merits and demerits may be made subject of public controversy.

BANKING IN 1884.

THE cautious and conservative policy of most of our banks during the past year is about the only financial circumstance to look back upon which affords any subject at all for congratulation. This course has been pursued with nearly unswerving fidelity, and if it has proved vexatious and hurtful to some few private interests this has been infinitely more than set off by the general confidence it has effected. Even a slight deviation from the course thus laid down would have given an opposite and a disastrous aspect to the acceptable dividends that have been periodically declared, and had the old system of indiscriminate discounts not been ruthlessly curbed we should no doubt be to-day in the midst of one of the wildest panics on record instead of the moderate depression we are now passing through. The effects of an opposite course are shown in the fate of the Exchange and the Federal banks. In neither of these was there even any pretense of caution, and in the former especially a financial administration so outrageous and dishonest as to bring those responsible for it within the fell shadow of the criminal courts followed. The saddening wreck of private fortunes accompanying these rascalities it is unnecessary again to enter upon, or to revive the names of such unjust stewards as have already paid a heavy penalty for their misdemeanors. These criminal disasters are already more or less things of the past, and we may now "let the dead bury its dead." Taken altogether the New Year begins under better auspices than looked possible a few weeks ago. As for the Old Year it has left behind it but little indeed to boast about, and all will agree, in colloquial language, that "it's a good job it's over."

N. Y. STOCK EXCHANGE.—The amendment proposed by the Governing Committee of the Stock Exchange to its bye-laws, providing that the position of President of the Exchange should be a salaried office, and that the President should not be engaged in other business, meets with the approval of a majority of the members of the Board.

THE railways of Great Britain are suffering, like our own, from decreased earnings. The London *Economist* prints a table showing that the falling off amounts to about 2 per cent. for the year as compared with 1883, and it is of the opinion that the forthcoming January dividends will have to be reduced in many cases.

As compared with the corresponding date last year, the New York associated banks are now carrying \$37,243,200 more cash, but loans are \$33,729,700 less than then.

Now the Sun, supplementing the *Bradstreet's* estimate, puts the number of distressed and unemployed, in New York city alone, at 100,000. A nice country to "exodus" to!