

upon them—the bills to be brought in subsequently. The transaction seemed reasonable, although a little out of course, and the loan was made, which was of considerable amount. One or two days passed. The bills were not brought in. The Produce Exchange was next startled to hear that the firm had failed. But infinitely worse than this was the discovery that the documents were forgeries. It was incredible. Such a firm might fail, but *Forgery* was unthinkable. It was, however, only too true. Apprehension and trial followed. A plea of insanity was put in, but nothing resulted. The estate barely paid the expense of the liquidation, and the bank lost the whole amount of the loan.

It was a heavy blow. But we could hardly blame the managers under such circumstances, and we bore the reverse with the philosophy which all banks have to exercise at times, when some unforeseen trouble befalls them.

#### JOURNEY TO THE SOUTH.

Our general sterling business was, on the whole, most satisfactory, and in connection with the most important branch of it, the purchase of cotton bills from the South, we had not a single casualty, large as the annual turn-over was.

It is a good rule for a banker to have personal acquaintance with those he deals with, and in furtherance of this idea, I proposed to one of our New York managers that we should take a journey down South together, and make the acquaintance of the firms whose bills we had bought in the aggregate for so many millions. We therefore made the journey, visiting Charleston, Savannah, Pensacola (to see a timber firm there whose business was in charge of a young man who had been one of our clerks), New Orleans and Memphis. At each place we called upon merchants and bankers, discussing with them the prospects of trade and movements of business and finance. It was one of the most interesting journeys of my life. The bankers were thoroughly modern in ideas and methods, and the merchants were men of more than average intelligence, some of them sent out from Liverpool to represent great cotton houses of that city, and being in the habit of paying periodical visits to England, France, and other cotton-consuming countries. And it surprised me to learn what a large portion of the crop was sent to Continental countries.

#### SILVER AGITATION.

During the great Presidential Campaign of that time, under Bryan as a candidate, we were in constant anxiety as the phases of the contest unfolded themselves. All our loans, whether on call or on time, were made payable in gold, but we were very certain that if the Bryan policy prevailed, gold would go to a premium. There would be a natural limit to this; depending on the ratio that was fixed. But the premium would certainly be enough to make it extremely difficult for brokers to fulfil their contracts. It would therefore inevitably bring serious elements of