

the ground littered with brass bound cartridges, with paper which has wrapped powder and which has wrapped sandwiches, with the rubbish of battles and picnics. Suddenly the 'cease-firing' sounds, and silence drops like a curtain. There is no question who has won. How can anything win which advances against well-posted guns over a long expanse of open ground? But every one is sorry that the final assault is not permitted, if only for the sake of his spectacular effect.

"At Weaver's Down, at Fox Hill, and now here, the Duke has stopped the fight just as it was about to culminate. A soldier must be content, there may be good reasons—is it that they are afraid of the men bayoneting each other in the excitement?—but the public who come out to see what they can see, and whose appetite grows upon what it feeds on, must grumble.

(To be continued.)

WHO OWNS THE GOLD?

What New York owes to Canada.—A Powerful Corporation.—Where do our Merchants Borrow their Gold for Duties?

It is clearly beyond any one's power to ascertain how much Foreign Capital is employed in the money market of New York; and there are few financial subjects upon which more caution is needed, in framing an estimate. A substantial advance in the rates of discount in Europe may sometimes give us a clue; but even the movement which follows such a change is too involved to allow of a close calculation. The most immediate influence of Foreign Capital upon this market is wielded by a power which receives but little of the attention it deserves; and the movements of Specie, between it and ourselves, attract no attention, because they are made by land, and not by steamships that report their treasure list. It is not England or Germany that has the most direct power upon our Gold and Loan markets; it is our little neighbor, the Dominion of Canada.

Those whose business makes them familiar with the workings of the Gold Exchange are aware that the Canadian Banks are constantly to be seen influencing the course of affairs, by their loans of Coin, and their operations in Foreign Exchange, as well as by their loans of Currency. But the weight of these Corporations is not critically estimated. Nine men out of ten, who speak on the subject, appear to treat this power with ridicule; except when, on the appearance of some noticeable change, they suddenly veer round, and ascribe everything to the operations of the Canadian Banks. Very little that can be called authentic has been printed about this matter; in fact, a paragraph in yesterday's Money Article, giving some figures of the assets of the Bank of Montreal contains information that we have reason to believe is not familiar in Wall Street. We will follow up that paragraph, by giving the figures of the position of the Canadian Banks at large, as published in Tuesday's *Montreal Gazette*. The chief facts are, in brief, as follows: The Banks of Ontario and Quebec have a paid up Capital of 37½ millions, Circulation of 24½ millions, and Deposits of 55½ millions, with Assets of 129½ millions, which include, besides cash and cash items, a Discount line of 85½ millions, and Balances due from Banks and Agents outside of Canada to the sum of 14½ millions. All these figures represent Gold Dollars.

The importance of these figures will we think, impress itself upon our Wall street

people, both from the large Banking Capital and yet more from the extent of the funds which these Banks employ abroad, that is chiefly in New York. Of these totals, the following portions belong to the Bank of Montreal: Paid up Capital, 6 millions, Circulation 3½ millions, Deposits (Government and private, on demand and for stated times) 19½ millions; and on the Asset side of the account, Discounts of 15½ millions, and Balances outside of Canada, 9½ millions. While, therefore, the Bank of Montreal reports, but one-fifth of the total Discounts, it has two thirds of the Balances abroad.

It is not part of our purpose, at present, to inquire how far the accumulation of the Canadian Balances contributed, together with Mr. Boutwell's course, to produce the plethora which oppressed this market for months, nor how far it contributed to bring money up to fifteen per cent. in Montreal, while it was not over seven here; nor yet to amuse our readers by detailed reference to the course of the price of Bank of Montreal stock, from 290 down to 225, and up again to 240. The single object in publishing these figures, is to call the attention of those whose business leads them to try the temper of the New York Gold and Money Markets, to that class of Foreign Capital employed here, which is most easily handled and most invisibly withdrawn. We think that this statement of figures may arouse our merchants and dealers to a truer appreciation of the power of our Canadian neighbors; and it may lead them to rejoice, that the vast resources of the Bank of Montreal are wielded by so able a man as its President. Any one who is familiar with the operations of Wall street, can picture to himself what could be done with all this power in a single hand, and even if all were true which street rumor at times ascribes to the President of the Bank of Montreal, he might well, like Warren Hastings, "stand astonished at his own moderation."

If, after reading an expression of uncertainty as to the course of our money market when all appears smooth and calm, the reader thinks the financial article in the *Commercial Advertiser* is unnecessarily bilious, let him ask himself, first, what he knows, about the Syndicate of the first of December, and, second, what he knows about the plans of the Bank of Montreal. And, when he has got, as we hope he will, a satisfactory solution about the Syndicate, let him return to the other conundrum, it will still be a useful exercise for his wits.—*New York Spectator*.

THE DEFENCE OF THE COUNTRY.

It is clear from the language of the British press, and from the expressions of England's statesmen, that steps will be taken at the meeting of Parliament to provide against the contingency of war. The nation's policy has been a policy of peace and good will, and under the impression that these humane sentiments governed the actions of other powers, England had ceased to provide for the eventualities that follow hostilities. Her standing army has been reduced to a peace footing; and if her navy has not felt the injurious effects of a Whig policy, it is simply because of her continual intercourse with the rest of the world, which could brook no sacrifice of protection.

The "nation of shop-keepers," which under the rule of Manchester Radicalism, England has become, could not suffer its maritime prestige to decay, but it had no sigh of regret if colonies were driven to desperation by the cold shoulder which Downing Street was made to present; and it look-

ed on with perfect indifference as the gallant red-coats were recalled, that no menace might be offered to American cupidity.

The occurrences in Europe within the last six months, and the language of the American people through their chief magistrate, go far to show that a policy resting on universal humanity, however pleasant in theory is far from applicable to the concerns of nations, and England is now convulsed with the thought that a war may be forced upon her, and that, too, while the country is in the hands of men hostile to a policy of national greatness.

The assurances supplied by Mr. CARLWELL, that the honor of the country and the Queen would be maintained, is a hopeful augury; but if Mr. GLADSTONE'S Government is to transmit to its successors, without stain, the full measure of the inheritance that belongs to Britons, quite a different policy has to be inaugurated and maintained. It may be, as Lord DERBY says, that England's position calls for no gigantic land force, and that in the event of war her militia is available. No doubt great reliance can be placed on the stubborn will of the people of the British Isles. But much depends on the manner in which a people meet the first shock of battle. Bravery is not enough as against the terrible engines now called into use, and where disparity in numbers prevail, the weaker, if wise, will by a more perfect knowledge of the arts of war, and in the appliances to be used, poise the scale of chances. If the situation of England calls for serious reflection, surely it is not out of place in us asking our representatives to dwell on the probabilities of the future if England should become involved.

What Lord DERBY says in respect to the volunteer movement at home applies with still greater force here, and as his references are both reasonable and applicable, we append the following excerpt from a statesmanlike and vigorous speech to the Lancashire volunteers:

"I trust, and believe, that the very greatest care will be exercised to leave unimpaired that which is the essence of our Volunteer system—I mean the free, spontaneous, and practically gratuitous character of the service given. (Applause.) If other reserve forces are wanted—I do not enter into the question here—let the deficiency be supplied. But this at least is clear, that by the present system the country gets, at trifling direct cost, and, what is quite as important, with very little disturbance of ordinary business, a vast additional defensive force which it could not command so cheaply any other way. (Applause.) I am quite aware that there are many people who, having been struck with admiration—and no wonder that should be—at the marvelous power whether for aggression or defence, which the Prussian organization gives, wish to see some modification of it introduced into England. Now, to such persons I would say, take hints from your neighbors by all means but do not servilely copy their institutions without first considering whether your position is like theirs. (Applause.) Now we are in a totally different position, as has been said many hundreds of times, from that of any Continental State. We have no frontiers. No enemy can pour half a million of men into this country. The utmost strength which we can be called upon to repel is only that which can be carried across the Channel by a hostile fleet, assuming such a fleet to have escaped our own navy, or that a temporary disaster had occurred. That is what we have to provide against, and when people talk of drilling and disciplining by degrees, year after year, the entire able-