

tunity of carrying out schemes that, in their magnitude, are almost beyond belief.

William Dresbach, the leading manipulator in the last great wheat deal in San Francisco, made some fatal mistakes in his calculations, and the result was, that instead of winning millions, he found himself bankrupt, with some nine millions of dollars in liabilities. His assignee, Charles R. Stone, has filed a schedule of the liabilities and assets of the insolvent, which proves both interesting and instructive reading. "Corners" have over and over again been made illegal in different States, and they are known to be most detrimental in their effects on the trade of the country; but the law is easily evaded, and so, as in the case of Dresbach, when the promoters of the deals are "hoist by their own petard," their downfall is rather enjoyed by the general public.

We will give a few examples, culled from Dresbach's list of liabilities, and from them, some idea may be formed of the magnitude of his transactions, and an inkling given of the way in which a wheat deal is manipulated.

Of secured loans for borrowed money evidenced by notes secured by wheat, there were the following:—

"C. B. Kaufman \$100,000; Searles & Stone \$385,656.97; Staub & Cooper \$75,475; Chas. F. Reed \$650,000, on notes held by the Nevada Bank; Mrs. Abby M. Parrott \$301,500; Starr & Co. \$42,000; London, Paris and American Bank \$92,000; Blum, Baldwin & Girvin \$306,952.13; making a total of \$1,953,584.10."

A long list of wheat contracts follows, and we copy one or two as fair samples of the balance:—

"Contract with Searles & Stone, whereby William Dresbach agrees to receive 7,100 tons of wheat, deliverable at seller's option during the year 1887, at \$1.90 per cental. As security for the fulfillment of this contract, an amount equal to \$8 per ton was deposited in the bank, and an additional amount, equal to \$5 per ton, was paid to Searles & Stone. These amounts have been forfeited by failure to receive the wheat. Further liability is undetermined and in dispute.

Contract with Blum, Baldwin & Girvin, whereby William Dresbach agrees to receive 1,000 tons of wheat, deliverable at seller's option during the year 1887, at \$1.97½ per cental, said contract to be subject solely to the rules and regulations of the San Francisco Produce Exchange Call Board Association. As security for the fulfillment of this contract the sum of \$5,000 was deposited in bank by William Dresbach. Further liability is undetermined and in dispute."

Of Call Board contracts, there are no end, and the miscellaneous liabilities and bills of exchange would alone fill a column of THE CRITIC.

The total liabilities are only approximated, as many of the Call Board contracts are disputed, but a fair estimate would place them about as follows:—

Money borrowed on wheat.....	\$1,855,444	10
Borrowed from Nevada Bank.....	6,553,111	56
Losses on contracts.....	300,000	00
Losses on cargoes en route.....	535,000	00
Estimated other losses.....	200,000	00
Total.....	\$9,443,555	66

The grand total makes a very respectable showing, and Mr. Dresbach can congratulate himself upon the fact that, if he has failed, he has done so nobly.

The assets consist of hundreds of thousands of quarters of wheat in different ports in England, most of which is held as collateral security, and cost two shillings a quarter more than it can now be sold for.

The list also gives a statement of fifty-seven vessels bound for Liverpool, Queenstown or Falmouth, carrying 594,763 quarters of wheat. The value of this wheat, for which Dresbach drew on the consignees, is given in the statement of liabilities. The largest number of these cargoes was consigned to Henry Coubrough, London, and a few only to John Ten Bosch & Co. Nine of the ships were consigned by Blum, Baldwin & Girvin to their correspondents in England, the firm advancing on them 30 shillings per quarter. In all cases the amount advanced exceeds the present value of the wheat, and the assets, therefore, are of no value. Fifty-four thousand bags in Greenwich Dock warehouse are valued at \$3,240, and 6,820 tons wheat on ships in harbor at \$150,040. This wheat is figured at about actual value of \$1.10 per cental. Ships have a lien on this wheat to secure fulfillment of charter.

The creditors will derive very little satisfaction from perusing the list of assets, as most are of the same worthless character. When it comes to cash on hand, which amounts to \$278,46, it will be seen that Mr. Dresbach did not make his assignment until all available means to avert failure had been exhausted.

Speculators in margins should be able to read a valuable lesson in this failure; but all fools are not yet dead, and so the bucket shops, those great sinks of iniquity, which yearly cause the ruin of thousands, will continue to be liberally supported, while many of their poor dupes will, in the end, find themselves inmates of prisons or poor houses, or numbered amongst the suicides of the land.

RED TAPE.

Among the fossil proclivities of old civilizations which cling to and clog the wheels of progress, not many have accomplished more mischief to peoples and Governments than what is known as "Red Tape." Its tantalizing influences are perhaps not quite so universal or so powerful as of yore, for Dickens did not show up the way "how not to do it" altogether in vain, and Macaulay's brilliant description of the negotiation of the peace of

Ryswick is, to the reader of history, a satire yet more pungent and powerful than that of the great novelist; but like many another scotched snake, it seems capable of wriggling on till sunset; and like other tape-worms, propagates itself by segments, despite new departures, in offshoots of the older countries. To illustrate our meaning—it is not very surprising that Her Majesty's Navy used (or did a few years ago use) twice as many books in a ship as are really necessary, or that "War Office Forms" (though the books of a Regiment are comparatively few and simple) are of an aggravating complication. But it is astounding that, if you procure the most trifling article, say a copy of the Field Exercise, from the Militia Department at Ottawa, value about thirty cents, you have to fill up two or three portentous forms in triplicate, before your infinitesimal contribution can be received.

But apart from minor nuisances, which are only passing and trivial, "Red Tape" is answerable for courses of action which may involve grave consequences to the public service of a country, or even extend to its foreign relations. Thus, a suspicion of "Red Tapisism" seems to underlie the hesitation of the Indian Government to accept, in the frank spirit in which it is offered, the magnificent proposal of the Nizam of Hyderabad to contribute six hundred thousand pounds in three years towards the defences of the Indian frontier. It is to be hoped that a higher and nobler sentiment may preserve the Indian Government from committing the terrible mistake of throwing back in his teeth the Nizam's far-seeing generosity.

Something like "Red Tape" again seems to have prompted the foolish hesitation of the English Parliament to subsidize the C. P. R. Mail Route. Fortunately, a broader spirit prevailed. Had it been otherwise, it would indeed have been a case of "penny wise and pound foolish" stultification with a vengeance!

It seems that "Red Tape" nearly succeeded in adding to the sacrifices it counts, that of Sir Edward Bruce Hamley, the most scientific strategist in the British Army, who was to have been compulsorily retired, it is stated, at the age of sixty-three; owing, as we gather, to a failure to find a post for him within one of the periods prescribed by Retiring Regulations. As to whether the failure was of purpose or not, some ugly rumors are afloat. We have more than once recorded our opinion of the absurdity of cast-iron rules for compulsory retirements at ages arbitrarily fixed; rules which are rapidly heaping up such a Retired List as no nation has yet seen. There were hints in this case of the adverse influence of Lord Wolseley, the latest edition of whose "Soldier's Pocket Book" has been said to contain a sneer at "an incompetent commander," which, it is hinted, was directed against General Hamley in his service in command of a Division in Egypt.

We can scarcely credit scandal of this kind; yet we remember that, in an earlier edition of the same work, Lord Wolseley made the remark that "the worst Staff Officer he ever knew was one who had passed the most brilliant examinations." It is, of course, possible that an accomplished theoretical strategist might not be quite as good as his reputation when tried in the field. But there is, so far as we know, no evidence of this in regard to Sir Edward Hamley, and the outcry raised in his favor seems to discountenance the supposition. However this may be, the case seems to have been so strong as to call forth a new Royal Warrant relaxing the inflexible absurdity in cases in which the public service would benefit by the retention of an officer otherwise due for retirement. It is to be hoped, in the interests of the Imperial Services, that the new Warrant is the first stroke of a death-knell to a most absurd and vicious system.

THE TRIPLE ALLIANCE.

That which has, from the first threatenings of European discord, due to the uneasy ambition of Russia and the fretfulness of France, been plain enough to common sense, seems to have practically commended itself to Prince Bismarck and Signor Crispi, and, no doubt, also to the Emperor and King Humbert. In fact, both Germany and Italy seem in these days to be more gifted than England herself with the useful quality which used to be considered an almost peculiarly English attribute. We are thinking of the obvious expediency of a close alliance between Germany, Austria, and Italy. There is little doubt that the recent visit of Signor Crispi to Fredericksruh has had the conclusion of this measure as its result; indeed, the Italian Prime Minister has substantially acknowledged the full accession to it of his country. Some of the English papers speak of this agreement in a highly sensible tone. Without being sanguine enough to look upon it as an absolute guarantee of the maintenance of peace, it is regarded as a strong incentive to caution on the part of the two disturbing countries against hastily rushing into war; and it is certainly most desirable just now that they should be furnished with some powerful check on sudden impulse. It is satisfactory to find it added that the combination has the best wishes of the English people, and who are, of course, anxious that the peace of Europe shall not be wantonly broken; and that although it does not suit Great Britain at the present moment to associate herself very closely with any foreign country, there can be no doubt on which side she would be found if a struggle were precipitated into which she should find herself drawn. This feeling is undoubtedly the correct one, for, in view of what we must always consider the unnecessary and ill-advised tension of her relations with Russia, and the scarcely-veiled hostility and aggressiveness of France on almost every point in almost every part of the world, her avoidance of entanglement, if war once breaks out, would seem to be in the highest degree improbable. It is therefore very desirable that the natural sympathy of England should find such expression in the English press as to leave no doubt of it in Paris and St. Petersburg. For those cabinets could not by any possibility blind themselves to the almost certain issues of a war in which the alliance opposed to them should not be triple, but a "quadrilateral," to say nothing of the antagonistic contingencies which might arise to Russia in the direction of Turkey and the Slavonic States.