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BRITISH CREDIT AND THE WAR.

The genius of the English-speaking peoples for voluntary effort is effectively brought out by the London Economist in a review of the part which British credit is playing in the war. The British banking system, through which unexampled sums have been raised for war purposes (eleven hundred millions sterling in the United Kingdom besides the domestic loans of the Overseas Dominions already made and pending, and fifty millions sterling in the United States, all this without abandoning the gold standard or issuing inconvertible paper currency), is a creation not of the Government but of voluntary individual effort. "The whole credit, the whole wealth, and the whole commercial position of the United Kingdom as it stood at the commencement of this war," says the Economist, "constituted a marvellous fabric, patiently built up by the industry and enterprise of manufacturers, merchants, shipbuilders, bankers and others who relied upon themselves, and stimulated by emulation and competition, comparatively unimpeded by Government, unsupported and unembarrassed by tariffs, created the greatest money power in the world, made London the centre of the world's exchanges, and universal provider of credit for traders of all nationalities in all parts of the world."

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With the outbreak of war, all this accumulated power, resources and credit were thrown into the service of the Allies, for whom in the present conflict Great Britain is acting as banker. "In fact," says the Economist, "the financial story of the war so far has been the story of British resources being applied without stint or limit to the prosecution of war in all parts of the world, by sea and by land, and to the pecuniary support of France, Russia, Belgium, Servia and Italy." The Economist goes on to point out the supreme importance of credit and the necessity for the realization of that importance by every statesman and by everyone who professes to form an opinion or policy.

"In one sense credit is at the mercy of the Government and of the Treasury, for a great false step of policy or con-

tinuance in a false course would bring disaster. The responsibility of the Prime Minister and the Chancellor of the Exchequer and of the Cabinet as a whole is prodigious. But there is also a responsibility upon the banks of the United Kingdom, of our self-governing colonies, and of India. Every one of our banks great and small is a self-governing element in this great voluntary mechanism, upon which the successful conduct of the war, and the maintenance of our industry and commerce depend. The bankers have but to realise their importance, and then they will be ready to act and to advise once more as occasion requires."

It will be noticed that the Economist does not restrict the responsibility for the maintenance of British credit to those located within the bounds of the United Kingdom, but extends it to include the financial institutions located within the British and the Indian Empire. True, the great bulk of the responsibility must rest on the United Kingdom, but Canada and the remainder of the overseas Dominions have to bear their share. It should be an inspiring and at the same time a sobering thought that upon us here in Canada, rests a part of the responsibility for the maintenance of British credit—a credit which is essential to the success of the Allies. Thus far, there is happily good reason to believe that Canada has worthily upheld her share of this responsibility. Through increased production, a large increase in exports, public and private economy, and the maintenance of the banking structure upon a thoroughly sound basis, the economic position of the Dominion has been not only maintained since the outbreak of war but actually, it may be believed, improved. At the present time we are about to take a new step in responsibility—the floating of a National War Loan—in order that our accumulated resources, as well as our manhood, may be available in the cause of freedom, and that the responsibility resting upon the mother country may be lessened to that extent.

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That the Dominion will rise to the opportunity afforded by the new development we fully believe, but it is well to remember that the responsibility in this connection is not a thing to be assumed at spasmodic intervals and then forgotten. "Patient continuance in well-doing" is essential. If we are to achieve that, then there must be a vision of the greatness of our task. In the light of that vision, industry will be seen to be something more than the earning of a livelihood, thrift, something more than the provision for an individual's "rainy day." Both will be seen as daily ways and means by which each of us, however relatively unimportant may be the individual role, can do our part in the maintenance of the British Empire's credit, which is essential to the success of the Allies, the freedom of the world and the coming of a better day.

The C.P.R. figures out Canada's exportable surplus of wheat this year as 264 million bushels. This represents enough bread to give 27,123,284 people a 24-ounce loaf per diem for a year.