



Better Times Next Year?

EVERYBODY is discussing the question—"Will times be better next year?"

Mostly the discussion hovers about the hope of all of us that we will find it easier to make a dollar next year than at present; but sometimes it has relation to another vexed question, viz., "Will the Borden Government take the plunge this autumn?" The first thing that those, who think that it will not, say to you is that the Ministers will wait for the passing of the present depression. And this leads you to ask—"But will it pass in time?" Next year is the date which is generally set for the elections in the ordinary run of things; and next year the optimists hope that the depression will have lifted and times will be better.

BUT will they? Don't you think something depends upon what has caused the present bad times? Which brings us to the crux of the matter—What has caused them? It certainly has not been any failure of crops in this country. We have had at least our usual crops for years, and we ought to have made quite as much money in that way as was expected. Other pessimists tell you that our depression came from a too rapid elevation in the immediate past. They say that "we were going too fast." Now what, precisely, do they mean by that? Do they mean that settlers were pouring into this country so rapidly, and we were providing the framework to carry them so promptly, that "hard times" came? If so, I cannot see the connection. Surely we cannot get settlers too rapidly if we can take care of them! That would mean prosperity—not depression. Nor are we likely to suffer from lack of money because too much is being spent in the country. Free spending means lots of money in circulation; and every municipality or enterprise which went to the London money-market and brought a few millions home to pour into our financial "veins," must have made money easier for the rest of us to get—not

harder. To say that building, borrowing and "booming" plunged this country into a depression is like saying that a merchant failed because he had too much trade. And that sounds like the veriest nonsense to me.

WHAT was the very first evidence of the coming of our depression in this country? Wasn't it "the high price of money"? Our borrowers found that they had to pay more for fluid capital than had been asked for some time; and the natural consequence was that certain works which could wait, or which could only pay at the old rates of interest, were postponed or abandoned. The "full steam ahead" of progress was thus checked. Men found fewer jobs competing for their services. There was a reduced purchasing power which affected every industry. Things began to slow down. Then capital grew even scarcer. The rush ahead was stopped almost in mid-career; and the depression was on us. It was caused by nothing that we had done; but only because we could no longer borrow capital on easy terms in Europe. The outside coal that we had been shovelling into our furnace gave out; and our fires failed. To blame it on the "real estate boom"—as some do—is like saying that the inability of a coal-less engine to pull its train is the result of the high fares charged for seats in the Pullmans attached.

NO; the drying-up of the easy-money fountain was the whole thing. Well, what dried it up? Simply that it sprang a leak lower down. And the leak was visible and even painfully plain to all mankind. It might have been labelled "war and preparation for war." Germany began to borrow money to build a navy. Britain began to tax capital to compete with it. Russia received a rebuff over the Bosnian affair, and immediately began to spend money like water on augmented regiments, military railways in the "Polish triangle," and now the re-

building of her fleets. The Balkan War broke out; and they might just as well have been blowing gold dollars out of their guns. Austria took alarm at the Balkan Alliance, and voted money for army and navy equipment till her people fairly groaned. Then Germany took the drastic step of taxing capital as capital to meet the Russian advance; and France decided to increase her military hitting power by one-third—and has just floated a loan of enormous proportions. Two-three-four hundred million dollars is nothing for these European powers to vote for the totally unproductive expenditures of war. But probably the biggest "leak" in the fountain was caused by Fear. The belief in Europe that a great catastrophic war was coming, frightened millions of gold into hiding; and the gross amount of fluid capital, available for investment in far-away Canada, was tremendously reduced.

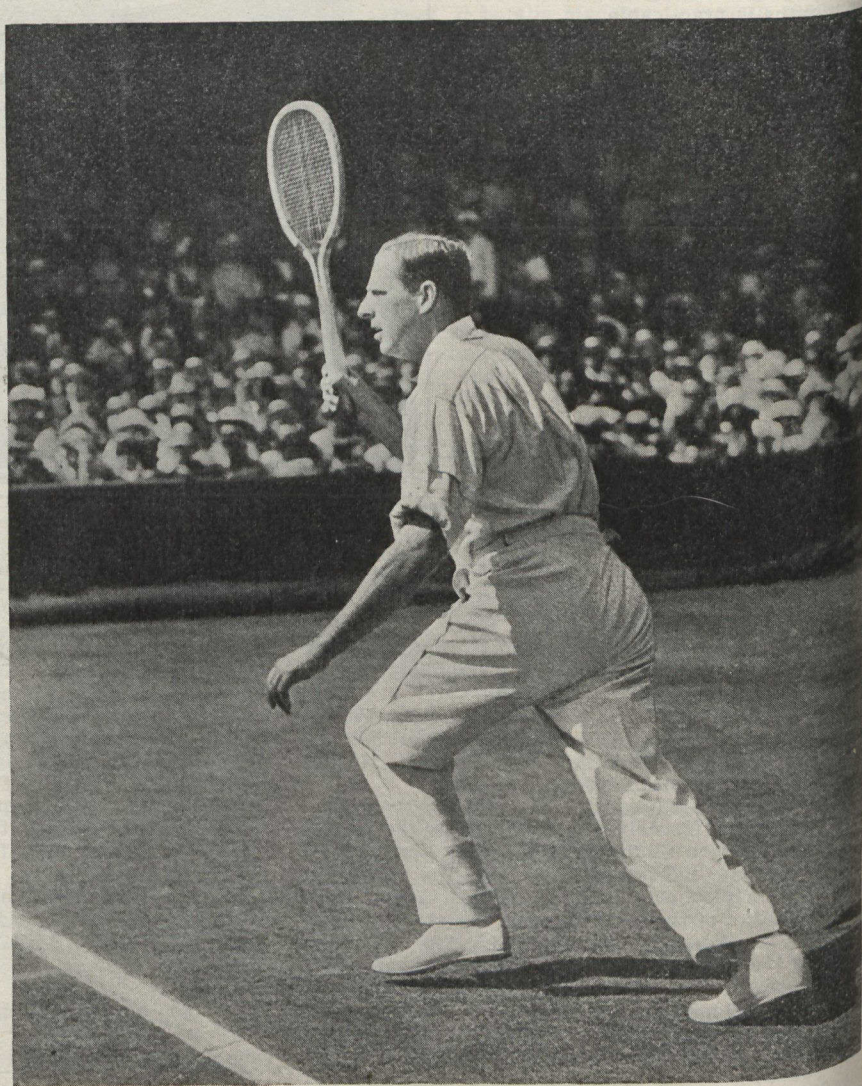
THAT is really all that happened. If the superabundance of capital, hungry for opportunities to earn interest, which overflowed from Europe six or seven years ago, were still available, we would have heard little or nothing about "unfortunate ventures" in Canada making the British money-lender apprehensive about our securities. We have always had "unfortunate ventures" out here; and yet our good securities have always sold well when there was plenty of capital seeking investment outside of Europe. That chatter is poppy-cock. The trouble is—"No funds."

WILL that trouble be all over next year? Well, figure it out for yourself. Next year, for the first time, the one-third additional trained soldiers will be kept with the French colours. Next year, the new Russian military equipment will be just reaching its completion. If there is reason for uneasiness in Germany now, there will be at least twice as much next year. I notice that the German Crown Prince—a brash but frank youth—has just endorsed a book in which 1915 is fixed as the date when "the revenge of France" and "the hate of Russia" will reach their climax together. All Europe looks forward to 1915 as the climax of the gigantic and heart-breaking preparations for war which have been going on now for about four years. They know that they cannot keep up the pace. It will soon mean bankruptcy or revolution for somebody. Any one of the Great Powers may decide that it can better afford to risk all on the cast of an armed conflict rather than continue this grinding rivalry in competitive

PLAYING AGAINST THE CANADIANS THIS WEEK



Norman E. Brookes, captain of the Australian team which is playing the Canadians at Chicago this week. Brookes won the Gentleman's Single Championship of England.



A. F. Wilding, the great Australasian tennis player, who beat all the English and American cracks last year, but who lost this year to his friend Brookes. He will also play against the Canadians, of whom Powell and Schwengers are the leaders.