

TRADE—FINANCE—STATISTICS.

THE UNITED STATES CONTROL THE QUESTION OF THE METALLIC STANDARD.

In a communication to the London *Economist* of August 28, Mr. Edward Langley said:

"Silver, so far, has been only partially discarded, its entire demonetization by one-half the world having been arrested by the action of the United States."

Mr. Langley adopts the erroneous opinion that the coinage of silver dollars in the United States will be suspended, but he is nearer right in declaring—

"As an inevitable result, either Europe must reverse her decision as to silver, or the United States must stop its coinage."

Without doubt, that is a correct statement of the situation. Either Europe or America must give way. With Asia, which contains the larger part of the population of the globe, on the side of silver, it is impossible that that metal can be ousted from its old position as one of the moneys of the world, if America adheres to it. The United States have only to remain firm in their present policy, and Europe must succumb.

We were told in 1878, when silver was remonetized by the courage and wisdom of the American Congress, that Europe would seize the opportunity to complete its work of demonetization by dumping its discarded silver on this country. In point of fact, not a single step forward in silver demonetization has been since taken in any part of Europe. All the steps have been steps backwards. The passage of the American silver law was a blow of fate which brought the Western World to a dead halt. Spain had by a royal decree in 1876 avowed its purpose to adopt a gold standard, but now holds that purpose in abeyance. In Holland, the Cabinet, which had been incessant in its efforts to urge the Chambers into the same policy, has given up the struggle. Austria has opened its mints to silver. In France the gold party has been cowed into silence. And even in Germany the sales of silver have been stopped, and it is by no means certain when they will be resumed.

Thirty years ago, the Powers of Europe tried to change the law of nations by the abolition of privateering. It suited their policy to propose that, because they maintain great navies wherewith to wage war upon the ocean. But the proposition did not suit the policy of the United States, who choose to rely largely upon privateers, which have been well described as the militia of the seas. The United States interposed its potential veto, and the European attempt to change the public law in respect to privateering was abandoned, as the movement in the same quarter to revolutionize the money of the world will be abandoned, if the resistance of America cannot be overcome.

Great as has been the effect upon Europe of the passage of the American silver law, it would have been greater and more decisive if doubts of the firmness of this country in upholding it had not been excited abroad by the unconstitutional attitude of the President and his Cabinet. Europeans cannot be expected to understand American politics very accurately, and when they read the messages of the President and the reports of the Secretary of the Treasury, urging the stoppage of the silver coinage, they naturally assume that its stoppage is probable. Mr. Evarts, the Secretary of State, constantly assures their diplomatic representatives at Washington to that effect, and they so advise their governments at home. Of the same tenor is the information received in Europe through the only American newspapers which are read abroad, and which are those printed in the Atlantic cities. It will only be when the progress of time has fully convinced Europe that the silver law of February 28, 1878, cannot be shaken, that the existence of it will exert its full and legitimate influence upon the action of the world.

That the United States do in fact control the question of bi-metallism in Europe, is now admitted even in Boston, where it has hitherto been maintained that American monetary policy must be necessarily dependent upon that of Europe, and especially upon that of England.

In an editorial article in the Boston *Advertiser* of September 17, 1880, it is said:

"It looks very much as if the fate of bi-metallism would have to be decided in this country. The subject has now drifted into a position where all countries liable to act at all are waiting for America to take the initiative. * * * The probabilities are that such action would determine the monetary legislation of Europe for some time to come. This country can lead; as a producer of the precious metals and a matter of self-respect it ought to lead. So much is virtually, though not directly admitted, by Vanden Berg, the president of the Java Bank, at Batavia, in his review of the monetary standards of Holland. * * * The government recommended, May 9, 1876, the pure gold standard. But the legislature was unwilling to act definitely until the United States had arrived at a permanent decision. * * * The action of the Dutch government is determined by the price of exchange, that of the Dutch legislature by the action of the United States Congress. * * * The ultimate fate of silver in Europe and America seems to depend almost entirely upon the laws of the United States."

The *Advertiser* of course maintains, and it would be untrue to Boston banking interests and prejudices if it did not maintain, that America should exercise the power it has over the question of the metallic standard, in the direction of helping to establish the gold standard. On that point it declares that "it has been demonstrated by practical experience that silver as a legal

tender in all amounts is not wanted here." But in fact the coinage of full tender silver has been authorized by law during our entire history except for the five years from 1873 to 1878, and the use of such money has always been constant and large, except when both metals have been banished from circulation by suspensions of specie payments. The recovery of business prosperity has procured *pari passu* with the resumed coinage of full tender silver money under the law of 1878. This may not of itself prove that the prosperity resulted from the silver coinage, but it does at least prove by "practical experience" that prosperity is not prevented by such a coinage. Senator Blaine told us more than two years ago, that the restoration of silver was the only thing which rendered the resumption of coin payments possible. They cannot be permanently maintained without it.

But it is something to have it admitted by anybody in Boston that the United States is the master of the situation in respect to the monetary standards, instead of being obliged to follow a foreign initiative. The deputation from Boston which appeared before the U. S. Monetary Commission in 1875 maintained one and all that London must remain the financial centre, and the pound sterling the financial standard of the world. Even Governor Boutwell, of Massachusetts, who was on that commission, with all his courage and all his mental vigour, which are both great, succumbed to that fallacy, and while he clearly pointed out the immense superiority of the double standard, still concluded that we must return to the gold standard unless England gives it up.

A stoppage of the coining of silver dollars by the United States would signalize the adhesion of incomparably the greatest power on the globe to the policy of a single gold standard. At any rate, it would signalize its admission to such a policy, and its acknowledgment of a want of power to resist it, and in such a case there is no practical difference between adhesion and submission. It can be of no consequence which it is that we admit, the right or the power, (if we admit either,) of a few European nations, controlled as they are by the peculiar interests of their governing classes, to dictate what our money shall be, and thereby to dictate what the money of the commercial world shall be. Rob Roy McGregor once had occasion to say that the head of the table was always that part of it at which he sat, and the occasion has now fairly come for us to say that the dominating position in the commerce and finance of the world is on that side of the Atlantic which is occupied by the United States.—*George M. Weston in U. S. Economist.*

Russian journalists are at present much exercised over the fact that two American vessels have discharged their cargoes of grain at the port of Revel. This is due to the negligent and slovenly mode of farming followed and to the consequent falling off in productiveness. This will prove a serious blow to Russia, and will add to her many heavy burdens. Germany is giving the preference to American wheat, as it is cheaper and of superior quality.

BANKS.

BANK.	Shares par value.	Capital Subscribed.	Capital Paid up	Rest.	Price per \$100 Oct. 6, 1880.	Price per \$100 Oct. 6, 1879.	Last half-yearly Dividend.	Per cent. per annum of last div. on present price.
Montreal	200	\$12,000,000	\$11,999,200	\$5,000,000	\$153 1/2	\$129	4	5.22
Ontario	40	3,000,000	2,996,756	100,000	86 1/2	60 1/2	3	6.96
Molson's	50	2,000,000	1,999,095	100,000	97 1/2	63	3	6.15
Toronto	100	2,000,000	2,000,000	500,000	134	111	3 1/2	5.22
Jacques Cartier	25	500,000	500,000	55,000	91	57	2 1/2	5.49
Merchants	100	5,798,267	5,518,933	475,000	105 1/2	80 1/2	3	5.60
Eastern Townships	50	1,469,600	1,382,037	200,000	105	78	3 1/2	5.22
Quebec	100	2,500,000	2,500,000	425,000	99	78	3	6.06
Commerce	50	6,000,000	6,000,000	1,400,000	128 1/2	112 1/2	4	6.21
Exchange	100	1,000,000	1,000,000	75,000	53	50	..	..
MISCELLANEOUS.								
Montreal Telegraph Co.	40	2,000,000	2,000,000	171,432	132	81 1/2	4	6.06
R. & O. N. Co.	100	1,565,000	1,565,000	..	56	36	..	..
City Passenger Railway	50	..	..	163,000	117 1/2	78	15	4.27
New City Gas Co.	40	2,000,000	1,880,000	..	144 1/2	118	5	6.93

*Contingent Fund. †Reconstruction Reserve Fund. ‡Per annum.

RAILWAY TRAFFIC RECEIPTS.

COMPANY.	1880.			1879.			Week's Traffic.		Aggregate.		
	Period.	Pass. Mails & Express	Freight and L. Stock	Total.	Total.	Incr'se	Decr'se	Period.	Incr'se	Decr'se	
*Grand Trunk	Week Oct. 2	\$ 77,283	\$ 149,226	\$ 226,509	\$ 210,817	\$ 15,692	..	14 w'ks	\$ 543,731	..	
Great Western	Sept. 24	51,269	64,276	115,545	98,692	16,853	..	13 "	231,094	..	
Northern & H. & N. W.	" 22	9,746	17,384	27,130	23,260	3,870	..	12 "	61,059	..	
Toronto & Nipissing	" 21	3,823	2,724	6,547	5,197	1,350	..	12 "	3,439	..	
Midland	" 20	2,860	12,095	14,955	11,382	3,573	..	13 "	28,817	..	
St. Lawrence & Ottawa	" 25	2,050	1,650	3,700	8,357	..	4,657	(in Jan.)	..	1,080	
Whitby, Ft Perry & Lindsay	" 30	856	2,028	3,794	2,598	1,196	..	"	14,866	..	
Canada Central	" 21	3,923	6,887	10,810	7,960	3,850	..	12 w'ks	29,929	..	
Toronto, Grey & Bruce	" 11	2,943	3,547	6,490	6,878	..	388	12 "	479	..	
Q., M., O. & O.	" 15	11,276	5,463	16,739	5,443	..	..	10 "	96,576	..
Intercolonial	Month Aug. 31	64,430	81,885	146,315	107,873	38,442	..	1 m'nth	38,442	..	

*NOTE TO GRAND TRUNK.—The River du Loup receipts are included for seven weeks in 1879, not in 1880; omitting them the aggregate increase for fourteen weeks is \$571,931.
†NOTE TO Q., M., O. & O. RY.—Eastern Division receipts not included in returns for 1879.