

he should consider that he is taking money out of one pocket (the cash drawer) and placing it in another (the bank), hence no book entry is necessary, his check stubs show at any time his balance in bank.

Now, if the dealer's cash balances, the cash book entries are correct, if it does not, the difference must be located and adjusted. If the dealer so wishes, he can prove his customers' accounts in the following manner.

Add to "Accounts receivable," as shown in statement of assets and liabilities, the footing of ledger pages marked "Credit sales," and deduct the footing of ledger pages marked "Goods returned from customers" and "Cash received on account." If his work is correctly done the footings of each amount due from his customers, as shown by their ledger accounts, will equal this amount exactly.

The comparison shown by the eight pages in the ledger will be of a highly interesting and instructive nature to the dealer and will aid greatly in determining his

The injury the dishonest tradesman inflicts is not confined to the creditor he thus defrauds. In fact, his is probably the least. One example. By systematically cutting prices, say down to a point that shuts out his honest neighbors, he demoralizes trade conditions at every point within the sphere of his influence. Indeed, if he obtained his goods by out and out burglary to put on the market, the conditions would be the same for the honest competitor, who has to pay for his goods and sell them at a profit. What's to be done?

Getting Lukewarm.

Sometimes it looks as if we were growing amiable towards corrupt practices in every direction. Common old-fashioned honesty is too dull for our new-fashioned wits and we are apt to wink at the "clever" men who "do" one another, if only it be within the law and wear a look of respectability—for this is the criterion.

JANUARY, 1903.

Day L. F. Cash Received

On Account. Cash Sales.

Day L. F.

Cash Paid.

On Account

Goods bought for Cash.

Expense.

Form C

Form C.

future operations and help in a great measure to stop leakages, by keeping him thoroughly conversant with the principal features of his business.

DEALING WITH DISHONEST DEBTORS.

By J. E. W.

WHAT to do with dishonest debtors has always been a perplexing question. The law is not favorable to incarceration for the offence and, on the whole, it is no doubt well that this is so. Otherwise, there might be abuses of the privilege that would quickly unbalance its salutary results. There are, however, from time to time, debtors whose transactions reveal such systematic and premeditated dishonesty, that some more adequate punishment seems absolutely necessary as a public safeguard; and, that creditors are not armed with some such weapon to meet or rather prevent this class of offenders, is at times exasperating.

Some Instances.

For instance, a meeting of creditors is called. The usual vague explanations follow, with fictitious accounts of losses, etc. Unheard of relatives and sundry persons make their appearance as creditors, and finally, on calls for an "offer," the debtor produces his wife or brother or sundry other person who is "willing" for disinterested reasons, to buy the stock and outfit if the creditors will accept, say 25c. on the dollar. This is the ordinary "hold up," and it is quite complete. The offer is accepted because it is the only thing in sight.

Prompted by Shrewd Lawyers.

This farce has invariably for prompter a shrewd if briefless lawyer, and, so far, there seems to have been invented no iniquity for the fathoming of which his services are not available. Not that we find fault or rail against the profession in particular. Indeed, we should all of us, no doubt, find the laws rather irksome and tedious if we had no one to help us break them.

But we are not going too deeply into the psychology of the matter nor yet to usurp the province of the pulpit. We are interested just now in the business aspect of the matter purely, and feel that something ought to be done along these lines for the protection of the honest traders scattered all in this broad country.

Lists of Dishonest Debtors.

Associations exist now in practically all classes of trade to maintain parity of prices and in other ways promote equilibrium, and prevent trade fratricide. Could these associations post the names of dishonest debtors in the same way that names are listed by them for other purposes and privileges? The decision of the creditors meeting on the point might be taken to determine whether or not the debtor has placed himself in this category. Mercantile reports of course, confine themselves to the fact, that a compromise was effected, but honest men, also are sometimes unfortunate and obliged to compromise. The trade report dare not classify if it could. A trade journal, too, might be a convenient plan, but would at once give the debtor the advantage of the "legal aspect" in the libel proceedings that would inevitably follow. The judgment of a creditor's meeting would not avail in law, unfortunately, nor protect a journal without special legislative enactment. The association, therefore, seems to have the best appliance, at present, within its own reach.

But (and here the whole question is reopened), we are reckoning without the cupidity of the merchant. The dishonest debtor may be posted and blacklisted, but is the merchant born who can refuse good money, even if dishonestly made. And supplies will therefore continue in proportion to risk only.

There is the loss of the past to overtake and the profit on present transactions both to tempt. He knows that if he refused, the merchant across the street would not, and there we have it. So that until the merchant, himself, in the interest of the honest tradesman, put his foot down firmly, the question will probably remain there, or be relegated to that other, last melancholy old-fashioned day of reckoning when honesty will not be at a disadvantage.