

## THE FRANCO SIAM EMBROGLIO.

The Franco-Siam dispute is at bottom one for territory. What France is aiming at is a great enlargement of her possessions in the neighborhood of Cochin China, under pretence of previous occupation and acquired right. France makes claims which, though somewhat indefinite, are probably intended to embrace all the territory on the east bank of the Mekong River, in the south; in the north her pretensions are carried up the left bank as far as 23°. In the south, her pretensions are expressed indefinitely in terms which cannot be understood without an explanation of the "rights of the empire of Annam and Cambodia on the left bank of the Mekong River and on the islands of the Mekong River." The Siamese Government, with no means of comprehending the precise meaning of the French demand, is willing to regard, for the purpose of delimiting the frontier, as Annamite and Cambodian soil, "all the territory on the west bank of the Mekong River south of a line drawn from the most northerly of the Siamese military posts occupied by the Franco-Annamite troops to another point situated in the same latitude," 18° N.; the river below this point to become the line of separation between the neighboring states to the point where the river enters the Cambodian territory, the use of the islands in the river to be common to the three coterminous states. France is preparing to withdraw its representative from Bangkok and has notified the powers of its intention to blockade the Siamese coast, with an intimation that ulterior measures are in reserve.

What is the object of France in desiring to enlarge the colony of Cochin China by the acquisition of adjacent territory? Her experiments in that quarter, going back to the days of Louis XIV., have been costly and unproductive. By the possession of the left bank of the Mekong River, and up to the twenty-third degree of north latitude, she would outflank Siam on two sides, would obtain a footing on the frontier of Indo-China, and interpose an obstacle to the communication between Siam and China. It is this aspect of the question that makes both Great Britain and China interested parties in the territorial settlement. A delimitation of boundaries is necessary, but France is seeking new annexations which would prejudice third parties, and those parties are not likely to forego the right to protect their own interests. The Siamese Government proposes an international commission to determine the boundaries. But France is expert at this kind of work, which she is apt to take up and lay down at her leisure—to delay for a quarter of a century at a stretch, when it suits her purpose, as she did in the case of the boundary of Acadia. Other instances show her skill in constructing plausible stories out of unpromising materials. If the delimitation of her coterminous frontier with Siam be entered on, in this way a great deal of powerful evidence in support of her claims of yesterday may be looked for, and if she found the case going against her, she would probably hunt up some excuse for bringing the proceedings to a stand,

and watching a favorable opportunity for forcing annexation under the guise of reparation for injuries sustained. Siam does well to remove as far as possible all pretext for such a course. France does not want an international commission to settle the territorial dispute on its merits; she makes claims which suit her convenience, and which, if conceded, would give her a vast extension of territory, but, what is more to the point, frontiers which would be a menace to the remnant of Siam and to Indo-China.

China is specially interested in the territorial question. She claims both sides of the Mekong River, considerably south of the 23°, to which France now makes pretensions to extend. According to this view, France, at that point, is simply trying to annex a portion of the Chinese territory, an enterprise which will be neither encouraged nor tolerated at Pekin.

Whatever may happen, the British Government feels that it has sufficient force at Bangkok to protect British interests, and has so assured the House of Commons on two occasions. It is significant that the *Journal de Debats* of Wednesday admits that "it is useless to shut our eyes to the fact that, beyond certain points, we no longer have to deal with Siam, but perhaps with England, and certainly with China." Nevertheless the Siamese island of Khong has been attacked by the French and its Governor killed. And the French fleet has forced a passage up the Meinam River to Bangkok, sinking a Siamese gunboat.

## BANKING REVIEW.

The figures of the Canadian Bank statement for June last will be found in condensed form below, and are compared with those of the previous month. The statement bears date 2nd July.

## CANADIAN BANK STATEMENT.

	June, 1893.	May 3.
LIABILITIES.		
Capital authorized...	\$75,458,685	\$75,458,685
Capital paid up...	61,954,314	61,950,654
Reserve Funds ....	26,007,668	25,981,362
Notes in circulation	33,483,413	31,927,342
Dominion and Provincial Government deposits....	7,186,841	6,283,274
Public deposits on demand.....	64,975,441	64,859,710
Public deposits after notice.....	105,841,988	105,581,122
Bank loans or deposits from other banks secured...	172,583	160,000
Bank loans or deposits from other banks unsecured.	2,503,558	2,656,417
Due other banks in Canada in daily balances .....	253,587	188,440
Due other banks in foreign countries	210,628	163,758
Due other banks in Great Britain...	4,751,476	5,504,346
Other liabilities....	287,387	777,665
Total liabilities..	\$219,666,996	\$218,102,617
ASSETS.		
Specie .....	\$ 6,412,342	\$ 6,672,163
Dominion notes....	12,135,327	12,557,993
Deposits to secure note circulation..	1,761,259	1,761,259
Notes and cheques of other banks..	7,333,418	7,066,104
Loans to other banks secured .....	175,000	160,000
Deposits made with other banks ....	3,650,210	3,407,96

Due from other banks in foreign countries .....	17,331,728	17,814,497
Due from other banks in Great Britain .....	1,587,320	1,182,665
Dominion Government debentures or stock.....	3,191,492	3,214,844
Other securities....	14,787,248	14,787,789
Call loans on bonds and stocks .....	14,880,373	15,213,352
	\$83,245,707	\$83,838,262
Loans to Dominion & Prov. Govts..	1,751,016	1,534,856
Current loans and discounts .....	208,793,415	207,685,450
Due from other banks in Canada in daily exchanges	168,310	132,552
Overdue debts ....	2,326,010	2,041,068
Real estate.....	1,050,259	1,039,981
Mortgages on real estate sold .....	673,487	709,320
Bank premises....	4,877,593	4,861,852
Other assets .....	1,477,583	1,326,086
Total assets.....	\$304,363,370	\$303,169,653

Average amount of specie held during the month .....	6,496,277	6,424,070
Av. Dom. notes do..	12,372,373	12,222,977
Loans to directors or their firms....	7,538,290	7,443,137
Greatest amount notes in circulation during m'n'h	33,754,534	33,637,459

There is not much to be said about the banking position in Canada at the present, except as it is affected by the position in the United States. There can be no doubt that the banking interests of the adjoining Republic are passing through a period of severe strain, and one which will try many of them to the very utmost. Doubtless, a certain percentage of the American banks have been doing an illegitimate and foolish style of business, and are now paying the penalty therefor. The percentage of these to the total number of banks is not large, for there are thousands of independent banking institutions in the country as a whole, and the failure of twenty, or fifty, or even a hundred of them—and a recent statement gives 200 as the number failed within the half year—would only amount to a small fraction of the whole. Still, it is noticeable how the wave of difficulty and weakness seems to strike with more force in certain localities than in others. Indeed, considering what a large number of banks have been established in the States, by men who knew nothing practically of the business, and how many officered by men who had little or no previous training, it is surprising that the disturbance has been as small as it has. The heavy decline in the great masses of wheat that are owned in the United States has told with great severity on the banks of the North-West, from Chicago northwards, and the critical time is by no means passed. Then the almost certain stoppage of the United States Government as an immense purchaser of silver is already affecting the banks of Colorado. This State and several others have been worked up to a condition of altogether abnormal prosperity by the absurd arrangement under which an enormous artificial market was created for their staple product. Great fortunes must have been accumulated by owners of silver mines, and a vast amount of employment of labor and building up of centres of population have accompanied it