

RENEWAL OF CONFIDENCE.

There are some very decided peculiarities in our Canadian methods of conducting trade. Some of these peculiarities are good, virtuous, wholesome, generous. It is useless to enlarge on these. Self-praise is not an honour. One, however, of our *best* characteristics as business men is a generous trust in each others *motives*, coupled with a reluctance to condemn a merchant as utterly useless in trade because he has failed in one branch of it. We are ready—perhaps too ready in some cases—to believe that he who has failed through ignorance or incompetence may yet succeed, in new surroundings, amid a different set of difficulties to contend with.

But, holding this lenient and kindly view of our brother trader's defects, we omit to conjoin with it sufficient clearness of perception as to *what* it is that constitutes failure, and *when* that point has been reached. Nor is the defaulting debtor himself any more clear-sighted. From this cause comes sinful waste of many an estate, and eventual attenuated dividends of five, seven, or ten cents on the dollar.

It is a pretty generally received trade maxim in all civilized countries where business has been reduced to a science, that when a merchant fails to meet his engagements the day or hour on which they mature, he has proved himself incompetent to conduct the business in which he is engaged, and should at once consult his creditors. It would be a very rash assertion to state that this course is always adopted by every trader outside of Canada. It is an extremely safe thing to say that it is seldom, if ever, acted upon by any trader in this Dominion. By long continued habit and the pernicious plethora of borrowed capital thrust upon us by too confiding capitalists in other lands, promissory notes or acceptances here have come to be looked upon as merely graceful acknowledgements of the existence of a debt. Perhaps in some cases they take a little higher rank and are really deemed promises to *pay*—some day; but the *date* of payment promised is considered practically merely a matter of form. If this be true, and many a harassed merchant is to-day painfully aware of its correctness, we would seem to have sunk far below the business status of that celebrated Irishman who hated to sign three months' notes because they were always coming due, but didn't mind a six months' note, for that seemed as if it would *never* come due. He at least recognized in some measure the inevitableness of a due-date. We don't.

We are in a fair way however to become "educated up" to various things before many months have rolled over our heads. Not only will we be educated up to the exceeding expensiveness of eight parliaments and seven Lieutenant-Governors; the charming troublesomeness of Senates, even when elective and unobstructive; the utter unwholesomeness and unreliability, morally and practically, of Mercantile Agencies; but are also certain to have our education completed by a thorough acquaintance with what the due-date on a bill really means. Bank failures, and the consequent instant pressure for payment of overdue notes held by them bring the question home to many of us. It is well it should be so. There is no occasion to cease credit. There is plenty of money in the country to afford any required legitimate credit. There is not the slightest reason to alter the terms on which goods are sold. In few, if any, trades could that be done with any degree of safety. What *is* necessary is that the terms on which sales are made be rigidly adhered to.

An unpleasant process perhaps. Yes—very; but extremely salutary. It puts an end to all slipshod methods of trading. It stops giving orders to oblige a friend who badly *needs* to sell. It causes a trader to reflect whether the goods he buys can be sold and realized into cash before they are due and payable. If a trader of limited means knows he *must* meet his bills at due date, he will arrange his purchases accordingly. If not—not. His stock will get demoralized, and his payments overdue be reflected in a stock which is out of date also.

This is the *external* aspect of the thing as it appears in material things. But there is an *internal* view of it also. For it is ever from the disorder prevailing in a man's mental organization that material disorder flows. Moral or mental order requires that a man keep his promises, even if these be promises to pay. The will, the intention, to perform is not enough; though it is much; for without at least the *will* to do a thing it is altogether impossible to find the *thought* to devise how to do it, or the operative energy to carry it out. But until the intention comes out into act it has no potency. All power resides in ultimates. Hence it is a fearful injury to a man's whole being to fail to perform that which he has undertaken to do; and just because it is such an injury to the individual himself, therefore it reflects injuries of various kinds on his fellows.

These principles applied to the business plan of experience carry us back to our starting point, that when a merchant finds himself in any one case, from whatever cause, unable to meet a payment, though his whole will be bent on doing so, it is then time for him to reflect deeply on his own defects, and acknowledge at once to his creditors that he has no *certainty* of ability to meet *any* of his promises; for this is the fact. If, however, he does see the special case in point to be an extremely exceptional one, decides to ask, and obtains, a renewal, he ought to treat that renewal no longer as a business debt, but as a debt of honour. It is a "renewal of confidence," not in the business or its position,

but really in the man's word of honour, against which there militates all the weight of previous failure to redeem his promise.

It may be dangerous doctrine, but it is trade-truth all the same, that trade debts neither are, nor are looked upon as debts of honour. Nor should they be. Goods purchased on credit to carry on a trade, a trader is bound to use to the very best of his ability for the purposes of the special trade in which he is engaged. So long as he makes no false statements in order to obtain these, and uses them legitimately, his *honour* at least is not stained should he fail of a successful issue to his venture; but the moment he fails to carry out his expressed or implied agreements in any respect, he has ceased to use his credit honestly. Surely a written promise to pay is an expressed agreement, and its fracture ought to forfeit to him all strictly business credit. Any further credit extended to him becomes a matter of personal faith,—i.e., a debt of honour.

The whole matter boils itself down to this: trade terms are, and ought to be entirely elastic. One merchant may buy goods on nine months' credit, another on three without trenching on fair dealing. That is a matter of legitimate business risk between buyer and seller. But whatever be the time asked and agreed upon, it ought to be rigidly observed to the day and hour. This is business honour and the only sure test of business ability. If a trader cannot thus work his business—be the excuse to himself or others what it may—he is *not fit to be in business*. For no man with will, thought and energy bent on doing right could desire to carry on his trade on the rotten foundation of broken promises. Yet such are "renewals." They are a "renewal of confidence" already broken. No merchant with many of these burdens on his soul can long carry that load, as well as sustain the pressure of anxiety which legitimate business entails.

Traders, who have proved to themselves even once by the logic of irresistible fact that they cannot keep a promise, must cease giving these irredeemable promises. This is the only sure road to a genuine "renewal of confidence." Enforced by any conceivable machinery of law it cannot be; but it can be acted out at once and forever, by every individual will which wills *not* to do evil to others by lowering the general standard of truthfulness to engagements in lowering that standard within himself. Individual voluntary action is life. Legal enforcement is only the skeleton of dry and withered bones which men ingeniously contrive to hide out of sight. Faith in skeletons is dying out, though very gradually. Faith in the power of a life is taking its place; and these dry bones of mere legality under that influence, shall yet stand up and live, when life shall be a law unto itself, and law shall be the law of life.

Trade Reform.

EARTHLY PARADISES.

There is a strong belief in the human mind that it is possible to have life on better terms than most of us get it. We all feel that somewhere things must be better ordered than in our common, every-day experience; and that if there is no better life, it cannot be impossible to create one. The Greeks fancied this ideal was to be had in Arcadia; but I am afraid it was the Arcadia of their imaginations, not of fact. The real place may have been pretty enough; but the refined Greek would hardly have found himself at home among shepherds who lived upon acorns! Nor would it have been much to them that these shepherds claimed that their race was as old as the moon. Our ancestors had dreams of an Arcadia in that valley of Avilion to which King Arthur was carried away:—

"Where falls nor hail, or rain, or any snow,
Nor ever wind blows loudly; but it lies
Deep-meadow'd, happy, fair, with orchard lawns
And bowery hollows crown'd with summer sea."

Delightful that! But where is Avilion to be found? and if we could go there, should we enjoy it? The place is *only* half the battle. It would be pleasant to get away from the dull streets and the dull routine of life—from monotonous duties, tiresome people, and taxes. But this is not enough. What these dreamers want to get away from—though they don't know it—is *themselves*. They think the world is at fault; and it may be to some extent. But "'tis in ourselves that we are thus or thus," and no change of surroundings or conditions will yield that ideal happiness for which there is universal yearning.

The ideal takes two forms. Sometimes it induces a longing for solitude, and then people turn hermits. "O for a lodge in some vast wilderness, some boundless contiguity of shade!" says the poet. But then he hasn't tried it. The lodge, happily for him, is not on the nearest house-agent's list, and so he does not get the experience Alexander Selkirk did on his island, which prompted him to ask: "O, Solitude! where are the charms that sages have seen in thy face?" and to add, as his opinion: "Better dwell in the midst of alarms than live in this horrible place." It was lucky for the fame of a good many hermits that they were vowed to solitude, and dared not break their oaths. The longing for solitude induces people to go into monasteries; but I am not sure that this feeling was always at the bottom of the monastic life. There is a suggestive passage in Mr. Besant's "Rabelais" which throws a side-light on this point. Speaking of a district of France in the fourteenth century, he says: "The long wars came to an end, and the generations which