

either an old English word basely applied to those whose rusticity wants polish, or which signifies, we believe, a Dutch peasant of an awkward and unpromising exterior, frequently painted by Teniers and Ostade as indulging in the selfish occupation of getting quietly or noisily drunk. Bears and cubs differ only in age, both being rough and ungainly; one being savage and the other unlicked. Do our young men deserve those names? Would it not be easy for them to avoid having them bestowed? Do they try to make themselves useful and pleasant? No doubt many do so, but mutual accusations of ill-temper and selfishness are pretty general among brothers. Pleasant they may be; but it is said they keep their good humour for strangers; their fun, bright talk, and conversation not for home use, but for their companions abroad. The excuse is that at home they are troubled and dull; but home is a place where all the charities should be exercised; and the more they are so the greater reward all will reap.

How much trouble would be avoided if brothers and sisters determined to be mutually forbearing and kind! With young men—for small boys are frequently very good-natured—there is about the period of manhood an access of consequence, which makes them overbearing; and in trying to gain esteem, they lose it by their awkward manner. They offend generally more by want of thought than by want of feeling; and the gentlewomen of their family are quick to notice their want of courtesy and politeness, from the fact of being treated, when in society, with much deference and politeness.

But the courtesies of home, or, as I have named them truly, the charities, should begin with the head of the family. It is astonishing how little this fact is acknowledged. The first quarrel between a married couple has been hyper-poetically called, by Mrs. Gore, I think, "the first grey hair in the golden locks of Cupid." When persons begin to quarrel at home, they frequently do not know where to stop. After the Fall, Milton describes the first pair jangling in Paradise:—

"Thus, they in mutual accusations spent
The fruitless hours, but neither self-condemning;
And of their vain contest appear'd no end."

This is an epitome of too many domestic quarrels. It leads to no good; it embitters life, wastes time, drives away love, and makes life a burden. It is for the man, as the stronger—as having generally seen and known more of the world—to set an example of forbearance and courtesy. The woman must be a *rara avis* indeed who will not yield to good-nature and kindness, and certainly most women may be cleverly managed if the husband will try to do so. It is no loss to his dignity to be uniformly polite, to yield the best place, and be equally attentive in other trivialities to his wife. A farm-yard cock, a gallant bird indeed, will set him an example; for he will go hungry for hours, pecking about, discovering food, and calling his hens around him to eat, without himself touching a morsel. Throughout all Nature there is a deference shown by the male to the female. A surly, dissatisfied, ungallant, cruel husband is often found amongst us, but is unparalleled in the lower ranks of creation.

The selfishness that Rochefoucauld speaks of, and to which he reduces all virtues, is humiliating enough; but it is a selfishness based upon love of praise, a desire of pleasing, an emulation of equalling pleasant people, and of gaining self-approbation by such means. It is a thousand times better than the solitary selfishness which indulges in rudeness, boorishness, and impoliteness at home, merely to be the little tyrant of the house, and to impress people with a petty consequence which everybody sees through, and which even its victims heartily despise. The vanity—if it be a vanity—of making people happy, of never saying an impolite word, nor doing a rude thing, of sacrificing one's self-importance to others, may by some be considered a pleasantly disguised and amiable weakness; but it will be a source of strength to those who wish to preserve the beauties of Home.

Quevedo Redivivus.

A PLEA FOR BANKS AND BANKERS.

There has been of late much foolish talking, and quite as much foolish writing, on the subject of Banks and Bankers. A great deal of unjust criticism has been expended upon our financial institutions. And so self-evident is this to those who have any practical knowledge of finance that they are too apt to regard it with disdain, and hardly care to refute it. Yet this is unwise, because an uneducated public is far more capable than an educated one of working mischief to itself, by thoughtlessly injuring the very means by which it is benefited, and so cause irretrievable loss to the innocent and the helpless.

Bankers are not the heaven-sent guides of trade transactions. On the contrary, traders are the cause and reason of the existence of banks. It is not the duty of bankers to infuse honesty and good principles into merchants. It is for merchants themselves to use the facilities which they combine to create in the form of banks with thorough uprightness and honesty, for good and not for evil; for usefulness, not for destruction.

In so far as financial men are specially dependent on the absolute good faith and the honest representation of facts on the part of those they trust, the condition of a nation's trade, as regards these qualities, is certain to be reflected

promptly in the soundness of its banking companies. Rottenness in trade must make rottenness in finance.

No bank manager ever created, no board of directors, however intelligent or shrewd each in his special line of trade, can possibly know or learn enough of the special condition of every branch of industry to be able to decide regarding the prudence or folly of each transaction offered so well as the individual who offers it. Even were a bank manager so superior in knowledge and experience as to be able to do so, it would be simply impossible for him to devote the needful time and attention to each case. If he did, he would be conducting 100 or 500 businesses in addition to his own special one of banking. This exceeds man's might.

The banker is, therefore, perforce thrust into the position of a man who *trusts*. Does he trust capital merely? Well, capital on the part of the borrower is of course involved in the very idea of banking. Its whole aim and scope is to facilitate the employment of capital. But *character* is his real security, and the reputation for knowledge and business experience of his clients is the endorser of that security. He can have none other—none better. Even the more tangible securities on which he lends must frequently, if not always, be estimated at the value set upon them by his client; for much of their real worth is the said client's knowledge. Any one can see the truth of this at a glance. In discounting a note brought by a customer, which note represents a sale of silks, there enters into the valuation of that security—first, the character of both traders, their willingness to pay it—and second, their business ability; for that is what will enable them to pay it. For if the importer who offers the note for discount has bought the silks badly, either as regards cost or suitability to the needs of the market, and has entrusted them again to a trader who also buys them badly, and in every sense possible having no use for them in his trade, these silks ere long will not represent 50 cents in the \$1. If the conditions are reversed, the intrinsic value of the security is 100 cents on the \$1. Exactly the same law applies to every description of merchandise. It should be remembered that bankers only handle securities which arise from barter, and are wisely prohibited from locking up deposits or capital in real estate.

It is then really character and business ability on which a banker lends money. Negotiable securities are only *forms* of these qualities, and are only valuable in so far as these are in them. The shrinkage in banking capital is directly due to the state of trade morality.

Financial men may or may not have borne their share in tending to produce this state of things. No doubt they have, in some cases, by knowingly affording facilities to traders who lack the needful qualifications of character and ability; in most it will be found that this has *not* been done knowingly, but that men reputed honest and able, have grossly deceived them and the public.

It has been, and is, a matter of surprise to the public how men of marked ability could make statements of values of the assets of the institutions over which they preside so very wide of the mark, and boldly confess the fact shortly after—notably in the cases of the Merchants' Bank (previous to its reduction of capital) and more recently of the Exchange Bank and the Consolidated. It should not be very difficult to understand. Bank Directors are not, although they *ought* to be, more free than others from the tendency of human nature to take a sanguine view of affairs in which they are personally interested; but, with the most urgent desire to curb undue hopefulness, it is an impossibility to value the assets of any bank, if the two elements of character and ability are to be left out. For no banker can possibly have knowledge enough to value the actual securities in goods which are represented by the paper he holds, spread over a number of branches, and representing transactions in all parts of the Dominion. If, in making up his statement, he allows for probable losses on all those accounts whose transactions with him have given rise to suspicion of either want of probity or lack of ability, he feels he has given a true valuation. Yet *one week* may bring to light facts regarding others which were previously wholly unknown and unsuspected. This may happen to any bank, at any time, although strict banking principles be adhered to, if the distressing state of commercial morality among the people be such as to render it a possibility. It is precisely this state of matters which renders the position of financial men, be they directors, bank managers, or in the humbler sphere of "office-man" for a mercantile firm, one of peculiar care and difficulty. Public sympathy—not public obloquy and abuse—should be their portion.

Our bankers have made many egregious mistakes, which it is not desirable either to overlook or palliate. But perhaps not the least of these and the most disastrous in its results has been their adoption and support of a false system of dispensing credit and ascertaining character. This has been already touched upon in the subject of "Mercantile Agencies." It is wrong morally to employ, and *pay*, spies to decide on character. The business world are the customers with whom a banker comes in contact. They can tell him more as to the true character and business ability of a firm with whom he is asked to open an account than any institution formed for the purpose could ever hope to do. Information obtained directly from the business men is generally reliable at the starting point. It then grows with the banker's personal experience of the account, if his eyes be not blinded by a supposititious high rating of his client, and the customers with whom that client deals. If bankers can find no better