

into our views on the subject. If by the term "Imperialist" the *Bystander* means one who is in favor of maintaining the existing institutions of the Dominion, then we feel assured that it is correctly applied to Sir Francis Hincks, but we cannot admit that such a term is properly applied to persons holding the views of an overwhelming majority of the people of Canada. There is nothing in the article which the *Bystander* has noticed in successive numbers to convey the impression that the writer had any doubt whatever that the Dominion could, under proper fiscal management, meet all its obligations. The object was simply to warn those who were advocating "new railroad enterprises" that the country was already so deeply involved by its expenditure on public works, and by its pledge to construct the Pacific Railway, that it ought to pause. Our words were:—"There may be works which have been advanced so far towards completion as to render it inexpedient to stop them, and it is therefore specially against new enterprises that we would raise a warning voice." The *Bystander* has thought proper to seize upon isolated expressions in a long article, which, separated from the context, convey an erroneous impression of what we meant. With regard to the Pacific Railway, we have always maintained that the faith of the Dominion has been pledged to the work, and as we should look on the policy which would separate British Columbia from the rest of Canada as suicidal, we have no ideas in common with those who are laboring to accomplish that object. The *Bystander* with his opinions is, we acknowledge, consistent in endeavoring to get rid of British Columbia so that it may be absorbed by the United States, and that Canada may be confined within the Rocky Mountains and excluded from the Pacific. How those who profess to be attached to British connection can co-operate with the *Bystander* is to us a mystery.

BEET SUGAR.

We willingly insert the letter of Mr. Lomer, who takes much the same view of the propriety of taxing beet sugar as the *Hamilton Spectator*. It is satisfactory to us to find an admission from the advocates of protection, that it is merely a question of time. Our difference with the *Spectator* and Mr. Lomer is merely as to the extent of the protection, and if we are guided by the experience of the United States, which is as safe a guide for us as either France or Germany, we must come to the conclusion that it is highly improbable that if an industry is established under

protection, that protection will be removed. On the contrary, it is notorious that rings are formed of those interested in the various protected industries which have proved sufficiently powerful to controul the action of Congress.

EASTERN TOWNSHIPS BANK MEETING.—The annual meeting of the Eastern Townships Bank was held at Sherbrooke on the 2nd inst, the President, R. W. Heneker, Esq., in the chair. The report will be found elsewhere. The report, after adverting to the fearful commercial disasters which have befallen all engaged in commerce, declares that there is "a steady reaction," which is in accordance with the prevailing opinion. The report notices the new Dominion Note Act in these terms:—"The Government has taken increased powers of issue based on a smaller reserve," and adds that "to this measure all the banks were opposed as one which might lead to future danger." If Sir Leonard Tilley comes to grief, and brings the Government to grief, it must be acknowledged that he has had ample warning from both sides of the Atlantic.

TRUE ECONOMY.

Economy in its highest development has three elements, namely, the minimum of expenditure, the maximum of income, and the wise use of the difference between income and expenditure. Whether the application of the term be confined to money matters, or be given the wide range of all possessions of man, mental and material, the same elements appear and are found to be essentially interdependent. The scholar, who by natural endowment is enabled to acquire much knowledge at small outlay of brain power must yet put his learning to good practical uses if he would prove himself a true economist, otherwise he becomes a mere pedant, a book-worm, a storehouse of information, it may be, but so securely sealed by disuse as to be of little comfort to himself and no profit to others. So with the artist. Let him be a genius; let him acquire in a year's study, facility and power that others might not gain in a lifetime of effort; and yet if he merely paint, leaving his productions to litter up the studio, unmarketed, unknown, none would call him a wise economist of his special talent. In money matters the truth is yet more clear: given enormous receipts, niggardly disbursements, and a rapidly accumulating hoard, what does the possessor know of true economy? Nothing. Economy has been his lifetime study, but, by leaving out the third and most essential element of the principle,

he has altogether failed of his ambition; he has not become an economist, he is a miser.

A rightful understanding of economy would seem to involve, then, a careful counter-balancing of the three elements named. The failure to do this inevitably leads to the substantial defeat of every effort to grasp the subject, or make practical application of its teachings. Individual illustrations to point our meaning are not wanting; but it is possible, though only in a very general way, to bring out the truth by citing nations. In England, more in olden times than now, the tendency has been to lay undue stress upon the matter of a minimum of expenditure to the neglect of the subject of income. That is, so much thought and effort have been devoted to bringing expenses down to the lowest point, that fair consideration has necessarily been withheld from the question of increasing the income; it has to some extent been lost sight of, that the desired end might be attained, possibly more readily, by the second means, than by the first. But the matter of making a wise use of surplus income has perhaps ever been better understood in England than anywhere else, and to this circumstance it is not extravagant to attribute, in some part, her pre-eminence as the wealthiest of nations.

In France, as the downfall of the empire revealed, not a little to the surprise of the world at large, the people, either through distrust of Napoleon, or for some other reason, had for a long time neglected to make use of their surplus income, hoarding it in preference. The consequence was that the wheels of industry were clogged and the nation was financially tottering to its fall at the very time when, as the sequel showed, it was best able to stand. The overthrow of Napoleon soon led to a restoration of confidence and a patriotism which brought millions of money out of secret places, diverted surplus income, commercially speaking, from unwise to wise uses, and led the country into an era of prosperity never before known in her history, and through which she was enabled to astonish the world by the prompt payment of an indemnity charge or exaction, enormous beyond all precedent.

In the United States, it need hardly be pointed out, the all important matter is a large income; and this goal is pursued with such energy and vigor that the matters of expenditure and the use to be made of surplus income are largely disregarded. Indeed, expenditure is allowed to go on at such a reckless pace that, notwithstanding unrivalled prosperity, the