

The Economist,

WEEKLY COMMERCIAL TIMES,

Bankers' Gazette, and Railway Monitor:

A POLITICAL, LITERARY, AND GENERAL NEWSPAPER.

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The Economist.

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THE MONEY MARKET.

From the subjoined table, it will be seen that the foreign exchanges have been moving against us this week, and a small sum in gold has been taken for the United States. This, however, is believed to have been an exceptional operation, and it is not expected that any large withdrawals will be made. Nevertheless, the effect of the movement has been to impart a little more firmness to the market. And rightly so; for, although the Bank now holds a fair reserve, that will, in the ordinary course of affairs, be considerably reduced during the next fortnight or so, when the customary movement of money to the provinces takes place. Then it is to be remembered that, ever since the rate was reduced to 2 per cent., gold has been steadily leaking away from us, the aggregate withdrawals having amounted to 1,600,000*l*; and now, in addition to this leakage, gold will certainly be needed for Egypt. All things considered, therefore, the position of the Bank is not one of much strength, and the market is very properly sensitive to anything that threatens to weaken it.

BANK RATE and MARKET RATE.

	Yesterday.	Last Week.	A Fort-night Ago.	Three Weeks Ago.	A Month Ago.
Bank rate.....	2	2	2	2	2
Market rate....	1½	1½	1½	1½	1½

LONDON MARKET RATE Compared with FOREIGN MARKET RATES (+ above: — below.)

	Yesterday.	Last Week.	A Fort-night Ago.	Three Weeks Ago.	A Month Ago.
With Paris	— ½	— ½	— ½	— ½	— ½
" Berlin	— 1½	— 1½	— 1½	— 1½	— 1½
" Amsterdam	— 1	— 1	— 1	— 1	— 1
" New York call money	— ½	— ½	— 1	— 1	— 1

RATES OF EXCHANGE.

	Yesterday.	Last Week.	A Fort-night Ago.	Three Weeks Ago.	A Month Ago.
France	Per Mille. 2 agst us	Per Mille. 1½ agst us	Per Mille. 2 agst us	Per Mille. 2 agst us	Per Mille. 1½ agst us
Germany	3½ agst us	2½ agst us	3 agst us	1½ agst us	1 agst us
Holland	4 for us	1 for us	14 for us	1½ for us	1½ for us
New York	5½ agst us	4½ agst us	4 agst us	4 agst us	5 agst us

THE RUMOURS OF DISARMAMENT IN EASTERN EUROPE.

A RUMOUR has been gathering strength throughout the week that the three Emperors assembled at Skierniewice have agreed to arrangements which will result in a considerable reduction of their forces, or, as it is usually phrased, in a "partial disarmament." The rumour is, of course, greedily received, as disarmament, however partial, would greatly reduce the burden on Europe, and would release large funds for industrial enterprise, and would afford much hope that the era of repression had gone by. Politicians as a class are weary of huge armaments without visible work to do; and journalists, who are politicians of the desk, reflect their sentiment with some exaggeration. There is, however, we fear, no reason for believing the story true. The Sovereigns, who at heart think that military training is good in itself for all men, and produces a healthy habit of implicit obedience, have no motive except the financial one for disbanding any portion of their armies, and grave reasons for distrusting any such proposal. In the first place, whatever their personal sentiments may be—and they are probably not quite so cordial as they appear—their countries do not sincerely trust or fully understand one another. German and Austrian, in particular, alike believe that if the Northern Slavs could overrun and conquer them they would, and expect fully that one day Frenchmen will make the attempt. They are aware, of course, that if the three Crowns are cordially united, the Pan-Slavs cannot move, and the French cannot invade, but they are not sure of the cordiality of the Courts, and not quite certain even of their ordinary good faith. The Czars are often overruled by their people, and a war might break out under the influence of popular emotion, even though the head of the Russian State did his utmost to resist it. France, too, is liable to be totally carried away, and her people might attack, even if the more sober among them thought there was no hope. A serious reduction of force might, therefore, greatly increase the liability to panic in Central Europe, and the mutual suspiciousness of the peoples, which by no means tends to the maintenance of peace. This popular distrust is at least as strongly felt in Russia, where the people even expect invasion, and would regard the Czar who reduced the Army very nearly as a traitor. The great corporation of military officers, again, which is influential with continental Courts, is strongly opposed to reduction, which increases rather than lessens the officers' work, while it diminishes their prestige in the State, and their claim to be separate from other citizens. In Germany, the officers, though educated enough to feel financial considerations, have heartily supported every proposal for the increase of the army. In Russia, where the Army has vast spaces to garrison, and much severe work to do in repressing half-subdued tribes, and keeping down millions of peasants who are working out a social revolution, this feeling is especially strong and vivid, and this more particularly among the higher officers, who are deeply imbued with the sentiment that Russia is destined to achieve still greater conquests. It may be questioned if a Czar who reduced his army seriously would be able to keep his throne against the pressure of military discontent, and whether he would not risk one of those *émeutes* by which in Russia the Army has repeatedly changed or threatened the order of succession. In Germany the discontent of the higher officers would be furious; and though it would not attack the Emperor, would undoubtedly endanger the advisers who, it would be said, had deceived him. Add to these objections the feeling of the Emperors that they are at war with a powerful and militant party of anarchy, and that in this struggle the Army is their best reliance, and we may be nearly certain that no project of reduction dependent on international agreement will be seriously mooted. The Emperors may all have been sorry for the condition of affairs, but they have abstained, we may rely on it, from discussing matters so delicate as the number and distribution of their respective armies.

Moreover, it is by no means sure that partial disarmament could be effected except through devices which in Germany and Austria would radically impair the organisation of the Army. In Russia, no doubt the Government still

demands that of the young men liable to service a certain number per thousand shall come forward every year, and it could reduce that percentage without irritating the peasantry; but in Germany and Austria the entire system rests upon the enrolment of all young men. It is only the universality of the suffering which induces the peasantry to bear it; and even as it is, they send their sons in thousands to America to avoid the barracks. If only a percentage are taken, the remainder cannot be drilled, and the whole system of First and Second Reserves, Landwehr, and Landsturm is thrown for fifteen years to come hopelessly out of gear. It might very well happen that ten years hence, when all politics have been changed by the rise of a military genius in France, and when the German Empire needs its fullest resources, one-third of the Landwehr would be unavailable, because untrained. A huge gap of that kind would render the whole machine unworkable, and would make the summons to the whole people, which is the essence of the modern system of recruiting, seem a summons to a special though numerous class. The reduction could not be large enough to justify the Government in largely reducing the *cadres*, and the only direct gain would be the saving in the keep and pay of a certain number of conscripts—an advantage not great enough to be regarded as a compensation. The dislocation, moreover, would be increased by the impossibility of making reductions in any arm except the infantry. Artillerymen, who will play a still greater part in the next war, cannot be improvised, nor can the cavalry, who, as German staff officers believe, and have been trying to show in the manoeuvres of the week, will be employed in any invasion in such masses as have hardly been seen in Europe since the barbarians rode into the Roman Empire on their ponies. The expense of maintaining huge bodies of cavalry is very great, and so disproportioned to that of infantry that it would make reductions in the latter arm seem of comparatively trifling importance. Of course the period of service could be reduced without these consequences, but then this would reduce the efficiency as well as the numbers of the whole army, and in the presence of an armed State like France, and a huge and formless State like Russia, will never be assented to by the German rulers. The armies, we believe, will be maintained, whatever the consequent suffering, until the great fight has been fought, and German and Slav alike exhausted welcome, as they did in 1815, a generation or two of peace. At present they are unwearied, unexhausted, and far too mutually distrustful to consent to reductions which they would feel sure the prospective enemy would not sincerely make. Each would suspect the other of secret drilling, such as went on in Prussia in 1813, and would be constantly, though quietly, preparing for a war, which is now, to a large extent, averted principally by the reflection that it would involve, and perhaps ruin, the whole youth of entire peoples. The first check on war on the Continent now is that every household must suffer.

THE REFORM OF LOCAL GOVERNMENT.

THE Jurisprudence Department of the Social Science Congress was usefully occupied on Thursday in discussing the reform of local government, on which subject interesting papers were read by Mr Leach and Mr Chalmers. Notwithstanding that little or nothing has been done in the way of legislation to solve the problem since 1870, when Mr Goschen's celebrated report first awakened public attention to its complexity and importance, it is gratifying to find, as the result of the constant discussion which has since been carried on, that the principles which must govern its ultimate settlement become every year more clearly defined and more generally acknowledged. The capital defect of the present system is its chaotic confusion of overlapping areas, conflicting jurisdictions, and co-ordinate authorities. Historically, as is well known, there were in England by the common law, three units of rural administration—the parish, the hundred, and the county. Of these, the hundred is an obsolete survival; the parish has, for practical purposes, lost all control over its own affairs; and the county, which alone of the three is still

a living and self-acting community, discharges its business through a non-representative body. On the other hand, there has been superimposed on these primitive arrangements an immense and heterogeneous mass of statutory authorities—poor-law unions, highway boards, school boards, burial boards, and so forth—whose jurisdiction is in a multitude of cases conterminous neither with the ancient divisions nor with each other's. The consequence is, as all who are practically acquainted with local administration in the country know, endless friction, loss of time, waste of money, and leakage of force. Everybody concerned in or affected by the system suffers in turn—the ratepayer, who is confused and irritated by multiplied demands; the local authorities, who are too numerous and too individually unimportant to enlist the services of the best men; and the central executive, which struggles in vain to introduce harmony and consistency into the chaos which it nominally superintends. Everyone now agrees that this state of things must come to an end, and that the herculean task—for such it will assuredly be—of pulling up by the roots this overgrown and pathless jungle will have to be undertaken by Parliament. The ideal which is at last accepted on all sides as the object to be aimed at is a system which will start everywhere from a common area as its basis, which will adopt that area as the unit for all administrative purposes, and which will gather together all the multifarious functions now discharged by the various local boards. And it appears to be further agreed that the rural authorities of the future will be of two types—of which one, representing the administrative unit, whether that unit be the union or the parish, will discharge all purely local business, while the other, representing the county, will attend to those matters in which all the separate localities within the county (including, according to some reformers, the municipal boroughs) have a common interest.

There can, we think, be no doubt that these are the lines upon which any scheme for the reconstruction of local government must proceed. The controversy is, indeed, now directed mainly to points of detail, among which there are two questions of paramount importance and interest. The first relates to the area which ought to be selected as the unit of administration. The second concerns the division of functions between the smaller local bodies and the proposed county boards. Upon the first point, there is great difference of opinion among the highest authorities. Mr Goschen in 1871 proposed the parish as the unit, and both Mr Leach and Mr Chalmers adopt the same view in their papers read before the Social Science Congress. On the other hand, Mr R. S. Wright, in his well-known and most able memoranda, prepared for Messrs Whitbread and Rathbone in 1877, and recently made accessible to the public, strongly urges the superior claims of the poor-law union. The chief advantages of the parish appear to be that its antiquity has gathered round it a certain amount of local sentiment, that it is already the unit adopted in the case of School Boards, and of many burial boards, and often for highway purposes, and that it rarely overlaps the county boundaries. Parishes are, however, very unequal in size, and experience seems to show that the average parish is too small in point of area and population to make it a convenient area for some of the commonest purposes of local administration. The relief of the poor, drainage, and sanitary regulations have for this reason been entrusted to the unions, which have in rural districts an average population of about 15,000; and even the management of highways is, as a rule, under the control of boards representing a group of parishes. The unions are, moreover, in point of size, more nearly equal than the parishes, though they have the disadvantage that more than a quarter of them cut the county boundaries. There are thus drawbacks to the adoption of either unit, but the balance of argument so far appears to us to be in favour of the union, with such a rectification of boundaries as will make the counties and the unions in all cases conterminous.

The distribution of duties between the county and the local boards is a delicate matter, which will present many difficulties of detail, though the principle upon which the division should be made is sufficiently clear. Wherever either all the localities in the county have a common

interest, or the matter is one in which uniformity of administration throughout the county is essential to good and economical government, the county board ought to have, if not an original, at least a superintending jurisdiction. There are probably certain branches of sanitary and highway expenditure which will, as a rule, be found to come under the first head. Some reformers would add the supply of gas and water; but it is not easy to conceive of a case in which a whole county would be well-advised in acting for itself in such matters. Under the second head, it seems to be generally supposed that the grant and transfer of licences to sell intoxicating liquors will be one of the functions of the County Board. The principle of local option is certainly not likely to be carried further than this, and before it is carried so far, care must be taken by general legislation to guide and control the action of the boards, and to prevent the possibility of an abuse of its powers by a casual majority. Another duty which it might be well to cast on the County Board is the management of workhouses and the making provision for the indoor poor. This would probably lead to economy of administration, provided, of course, the smaller areas remained separately liable for the cost of outdoor relief. The relations of the municipal boroughs within the county to the County Board is a problem of greater difficulty, and one which deserves more consideration than it has hitherto received.

THE FINANCIAL REVOLUTION IN EGYPT.

LORD NORTHBROOK'S mission to Egypt has not been long in bearing fruit. It has already resulted in the forcible suspension of the Law of Liquidation, and this is so grave a step that it cannot be characterised otherwise than as a financial revolution. True, the suspension is announced to be only temporary, and in the meantime it is confined to the alienation of the sinking fund. The interest both of the Unified and of the Preference debt will continue for the present to be paid in full, and as at the recent Conference all the Powers showed themselves ready to acquiesce in the payment to the Egyptian Government of any balance remaining after the interest on the various loans had been fully met, the diverting of the sinking fund is not in itself a matter of much moment. It is in the manner in which it has been accomplished that the grave importance of the measure lies. The essence of the Law of Liquidation was, that the revenues assigned to the bondholders should be kept quite distinct and apart from those left at the disposal of the Government. The former were to be paid in to the Caisse of the Public Debt, and over them the Government was to have no control. Now, however, the Egyptian Ministry has intimated that this separation of the revenues will not be permitted. During the next six weeks all revenues—those assigned to the bondholders as well as those left to the Government—are to be paid into the Treasury. The functions of the Caisse have thus been arbitrarily suspended, and the position is not bettered by the fact that the suspension is at present intended to last only a short time. For if the Egyptian Government can of its own option set aside the Caisse for a period of six weeks, it can as well set it aside for six months, for six years, or for ever. The action of the Government thus virtually amounts to the abrogation of the Law of Liquidation, and it is in this light that it will certainly be regarded by the Powers. We have no doubt that so serious a step has not been taken except under the pressure of absolute necessity, and after full consideration. At the same time, however, it is not to be expected that the Powers who are parties to the Liquidation arrangement will be content to see it simply set aside. They will doubtless wish to know what it is proposed to set up in its place, and on this point our Government—for it is the British Government, and not that of Egypt, that is really responsible—ought to be, and it is to be presumed will be, prepared to give a definite answer. We look, therefore, upon the suspension of the Caisse merely as the first step towards the carrying out of a complete scheme of financial reorganisation in Egypt, and what that scheme is ought to be known before many days are over.

SIR STAFFORD NORTHCOTE'S REPLY TO MR GLADSTONE'S FINANCIAL CRITICISM.

ANYTHING weaker than Sir Stafford Northcote's attempted vindication of Conservative finance it is difficult to imagine. It is true that he had a bad case to defend. But then the indictment which he was seeking to traverse was also faulty, and it was to be expected that so skilful an advocate as Sir Stafford Northcote, if he could not wholly justify his own position, would, at least, have exposed the errors of his opponent. Instead, however, of seizing upon and making the most of the weak points of Mr Gladstone's statement, he overlooked these altogether, and sought to fix the attention of his hearers upon two issues, one of which is comparatively unimportant, while the other exhibits in the strongest possible light the superiority of the Liberal over the Conservative system of finance. In the first place, Sir Stafford objects to the deduction both from the Conservative and the Liberal expenditure of the cost of collecting the revenue. This he acknowledges is a small matter. He insists, however, that it is important to know whether a Government is conducting its collection of the revenue economically or extravagantly; and he seems to imply, although he does not expressly say, that because the expenses under this head of the present Government during the past four years have exceeded by nearly 3½ millions the expenses of the Conservative Government in the previous four years, therefore Mr Gladstone's administration is open to the charge of extravagance. Surely, however, Sir Stafford must know that the outlay, especially of such a department as the Post-office, in which the chief growth of expenditure has occurred, must bear some proportion to the amount of revenue realised. And if he had told his hearers that the receipts of the Customs, Inland Revenue, and Post-office departments during the four years ending March last amounted to 320,000,000*l.*, as compared with 297,000,000*l.* in the previous four years, he would have given them a natural and legitimate reason for the greater portion of the increase in the expenditure against which he insinuates objections. If a railway shareholder were to object to a growth in the expenditure of his company caused by a development of traffic, his protests would excite only ridicule. Yet they would be just as sensible as carping criticism of the expenditure of the revenue collecting departments which leaves out of account the work done by them.

And when Sir Stafford Northcote attempted to explain away the fact that under the present Government the National Debt has been paid off much more rapidly than under the previous Administration, his failure was still more complete. His argument was briefly to the effect that the Liberal Government have during the past four years spent only 4,700,000*l.* more upon the service of the debt than their Conservative predecessors did during the previous four years, and that if the debt has been paid off with much greater rapidity, it is mainly owing to the action of the terminable annuities, "which pay off year by year more and more capital, and less and less interest." Now Sir Stafford referred more than once to the "little book" out of which he said both Mr Gladstone and he had taken their figures; and it is hard to understand how, with this book before him, he could have ventured upon such a statement. Here is what the *Statistical Abstract* shows to have been the operation of the terminable annuities in each of the periods of four years.

ESTIMATED CAPITAL OF TERMINABLE ANNUITIES COMPLETED in 3 per CENT. STOCK.			
	Liberal Administration.		Conservative Administration.
Amount at close of financial year, 1880	£ 23,800,000	Amount at close of financial year, 1876	£ 45,800,000
Do, 1884	*21,400,000	Do, 1880	33,800,000
Reduction in four years ...	12,400,000	Reduction in four years ...	12,000,000
* Exclusive of 70,000,000 <i>l.</i> of Consols converted into annuities under the provisions of the National Debt Act, 1883.			

Thus, so far as the operation of the terminable annuities goes, the two Governments may be said to have fared exactly alike, since they are each credited with almost the same amount. Obviously, therefore, Sir Stafford's explanation is at variance with facts, and it is necessary to look elsewhere for the true reason of the more rapid reduction of debt that has been in progress since the present Government came into power. That reason lies on the surface. It is that, whereas the expenditure of the Conservative Government in the four years in question exceeded its income by fully 7½ millions, the expenditure of the Liberal Government fell short of its income by about 1½ millions. Thus, the Conservative, while paying off old debt with one hand, were incurring fresh debt with the other. In their case, therefore, the action of the terminable annuities was to a large extent neutralised by the creation of fresh obligations; whereas, in the case of the Liberals, it was supplemented by redemptions out of current revenue. And, knowing this, it was singularly unwise for Sir Stafford Northcote to call attention to the fact that, owing to his shiftless financing, the machinery for the reduction of debt which has been provided by the system of terminable annuities was for four years prevented from realising the beneficial results it was intended to produce.

As they have been made the subject of public discussion, it is necessary to refer to these matters, but for our own part, we must confess, that, we feel, there has been more than enough of such comparisons of the gross expenditure of this or that Government. The fact is that they are worth little, and may be wholly misleading. Take, for instance, the expenditure of the Post-office, to which Sir Stafford Northcote alluded. That was increased last year by about 350,000*l.*, in consequence of expenditure incurred in initiating the Parcel Post, and in preparing for the introduction of cheap telegrams. That that expenditure nothing could be more legitimate, and it is certain to prove, in one way or other, a very remunerative investment. Ask the opinion of any man of business with regard to it, and he will probably say that the only thing he regrets is that a larger outlay was not incurred, and the benefit of cheap telegrams accorded to us at once, instead of being postponed. Yet if we are to adopt the system of judging a Government merely by the amount of its outlay, this eminently beneficial expenditure will become a matter of reproach to the Government by which it is made. This is obviously preposterous. To be fairly judged, the expenditure must be considered in connection with the objects for which it is incurred, and in future discussions it is to be hoped that it is to this aspect of it that attention will be directed.

THE SCOTCH RAILWAY ACCOUNTS FOR THE FIRST HALF OF 1884.

THERE is, at length, a pause in the growth of dividends upon the leading Scotch railways, and in one instance there has latterly been a distinct relapse. The Glasgow and South-Western dividend is ½ per cent. less than it was at this time last year, and then it was ¼ per cent. below the level of September, 1882, and this result may be ascribed to three causes, the falling off in the mineral traffic—which has been general upon Scotch railways in the past half-year—the growth of Parliamentary expenses, and the increase in the preference charges. But the Caledonian and North British have maintained their last year's rates of dividend, and on the average the Scotch companies have held their position better than the English. Amongst the English dividends, there was for the first half of this year an average reduction of $\frac{5}{16}$ per cent., while in the revenue statement below it is limited to $\frac{1}{8}$. Yet the weekly traffic returns were certainly as discouraging North of the Border as they were South of it; only when the complete accounts came to be published, it is found the gross earnings of the Caledonian yield a comparison nearly 20,000*l.* better than the traffic returns indicated, and the Glasgow and South-Western 10,000*l.* better, so that the weekly returns furnished a very incorrect measure of those companies' earnings.

REVENUE STATEMENTS for the Half-Year ended July 31, contrasted with the Corresponding Half in 1883.

	Gross Revenue.	Working Expenses.	Net Revenue.	Pre-ference Charges.	Earned for Dividend	Dividend % per Annum.
Caledonian	£ 8,942	£ 17,963	£ 9,021	£ 11,652	£ 2,631	same
North British	+ 11,647	+ 2,288	+ 9,359	+ 3,069	+ 6,290	same
Glasgow & S. West.	- 1,481	+ 1,433	- 2,914	+ 10,706	- 13,620	- 1/4
	+ 1,224	- 14,242	+ 15,466	+ 25,427	- 9,961	- 1/8

It will be seen that the North British alone gained traffic in the half year; and that gain accrued almost entirely in passengers. All the three received some addition to their passenger earnings; but all lost mineral traffic heavily, owing to the depressed condition of the Scotch iron trade. Practically, therefore, there was no movement in the total gross revenue, a decrease of 3/4 per cent. in the working expenses, and a similar increase in the net revenue, an increase which was more than swallowed up by the growth of the preference charges. The comparison of the leading items of revenue is below:—

HALF-YEARLY REVENUE RECEIPTS.

	Passen- gers, Parcels, & Mails.	Merchan- dise.	Minerals.	Live- Stock.	Total Earnings of Every Description.	
					1884.	1883.
Caledonian.....	£ 8,238	£ 20,678	£ 3,860	£ 3,902	£ 1,455,131	£ 1,464,073
North British ..	+ 29,123	+ 1,544	+ 26,518	+ 1,723	+ 1,293,565	+ 1,281,918
Glasgow & S. West	+ 1,137	- 1,797	- 6,353	+ 472	566,648	670,129
	+ 38,508	- 20,596	- 36,731	+ 6,097	3,317,344	3,316,120

There was a fair increase in the smaller item of live-stock.

The working expenditure is chiefly remarkable for the reduction effected by the Caledonian Company in compensation charges. They were exceptionally heavy on that line at this time last year, but the other two companies have effected slight savings in that particular. There was last half-year an additional charge for engine fuel, which, however, was inconsiderable on the Glasgow and South-Western, where there was the smallest increase in the train mileage.

ALTERATIONS IN HALF-YEARLY WORKING EXPENDITURE.

	Mainte- nance of Way.	Rolling Stock Renewals.	Engine Fuel.	Compen- sation Claims.	Totals.	
					1884.	1883.
Caledonian	£ 8,262	£ 563	£ 2,578	£ 23,452	£ 717,679	£ 735,642
North British ..	- 2,273	- 620	+ 3,377	- 731	626,113	624,125
Glasgow & S. West	- 2,489	- 1,864	- 13	- 874	279,746	278,313
	+ 3,501	- 3,047	+ 5,942	- 25,057	1,628,338	1,638,080

There are few very striking features in this record of the Scotch companies. The movements are for the greater part small, and it is apparent that but for the saving in Government duty and in the Caledonian Company's compensation claims, there would have been a less favourable return. It has, on the other hand, been mainly owing to the loss in mineral traffic that an adverse nature of the result has been due.

GROWTH OF CAPITAL.

Canal Miles own'd	Rail- way Miles in Operation.		Expen- diture in Twelve Months.	Total Received July 31, 1884.	Proportion of		Estimated Fur- ther Outlay.	
					Priority	Ordinary.	Current Six Months.	Total Sanctioned.
52 1/2	908 1/2	Caledonian...	£ 479,583	£ 38,680,759	64	36*	£ 361,179	£ 1,847,633
32	1,607 1/2	North British	556,566	32,559,889	78 1/2	21 1/2*	27,844	1,380,181
11	387	Glas. & S. Wn.	373,095	13,668,239	58 1/2	41 1/2*	263,939	899,042
95 1/2	2,302 1/2		1,409,349	84,938,887	72	28*	912,959	4,117,903

* Including the deferred stocks—7 1/2 per cent. in the case of the North British; 7 1/2 per cent. in that of the Caledonian; and 3 1/2 per cent. in that of the Glasgow and South-Western.

These companies had various measures of some importance before Parliament in the past Session. But in the foregoing estimate of further outlay there is some reduction shown as compared with this time last year, both as regards the current six months and in the "total sanctioned." The average dividends paid by these Scotch companies since 1878 have been as follows:—

	1884.	1883.	1882.	1881.	1880.	1879.	1878.
First-half ...	4 1/8	4 1/8	4 1/8	3 1/8	3 1/2	2	4
Second-half..	5 1/8	5 1/8	5 1/8	4 1/8	3	2 1/8	3 1/4
...	4 1/8	4 6	4 2	3 1/2	2 1/8	3 1/2	

ENGLISH INVESTIGATION OF AN AMERICAN RAILWAY.

It is usually found extremely easy to indulge in what has been rather aptly named destructive criticism; and this would certainly be the case in regard to the New York, Lake Erie, and Western Railroad Company. From the organisation of the original New York and Erie Railroad Company, in 1832, down to the present time, every stage in the progress of this undertaking has been characterised by almost exceptional incapacity, or thorough dishonesty. Now, after three reorganisations, a fourth seems necessary. When the so-called "Erie" company came to the ground a few months since, its fall was almost as startling as that of the Philadelphia and Reading. For the year ending September, 1883, the company had met the interest on its entire funded debt, including income bonds, and had paid, moreover, the dividend on its preference shares; the net surplus remaining over after this being no less than 647,000 dols. In fact, before the interest on the Second Consolidated Mortgage could be endangered it appeared that a loss of about 1,265,000 dols must occur in the net revenue. Yet some nine months afterwards the coupon on the above mortgage is passed, and a floating debt is admitted to exist of 4,477,000 dols. Two causes partially accounting for this marked change are well known; one is the large falling-off in the revenue, owing chiefly to the very unremunerative character of the "through" traffic, the other is the heavy loss arising out of the company's connection with the firm of Grant and Ward. But more detailed information was needed, and Messrs Powell and Westlake were deputed to investigate the affairs of the company in order to lay bare the real position, and the causes by which it had been produced. Their report has been awaited with interest, and it was expected that it would furnish the shareholders with all the details necessary to them enable to ascertain exactly how they stood. This expectation, however, we regret to say, has not been realised. Instead of receiving the full information looked for, the stock and bond holders are merely informed in the briefest possible way that the floating debt has been incurred by expenditure in itself "wise and politic," to meet which a new loan of 5,000,000 dols is recommended; practically, nothing is said as to the Grant and Ward episode; finally, a new president is proposed, whose honesty and capacity may be unquestionable, but whose services can only be secured when existing difficulties shall have been satisfactorily adjusted. And a few barren platitudes round off and conclude a report so jejune and feeble that the American officials may well be encouraged to think that the company exists rather for their benefit than for that of the proprietors.

The practical bankruptcy of the company is stated to be due to expenditure in four directions, which seem to rank under two headings, viz., development of coal traffic, &c., and expansion of the road as a great "through" system. The New York, Lake Erie, and Western is one of the great coal-carrying roads; and, moreover, two years ago it largely increased this interest by the acquisition of the Blossburg coal property, which comprised 66 miles of railroad, and 28,000 acres of coal land in the State of Pennsylvania. In view of the extremely depressed state of the iron and coal trades, it is easy to understand how heavy losses may have been incurred in this direction. The loss on the New York, Pennsylvania, and Ohio lease, and on the Chicago and Atlantic line, the expenditure on the New York terminals, and the great liabilities incurred for car and equipment trusts, very largely represent the cost of acquiring a large and unremunerative "through" business. In saying this we do not impugn the policy which led to this expansion, but merely state a fact. The New York, Pennsylvania, and Ohio line was built for the Erie Company, and its control by lease or otherwise is rendered especially necessary by the westward expansion of the Erie; yet it never fails to be other than a heavy burden. Nor can this be avoided under present conditions. The Chicago and Atlantic line is likely to be unprofitable for some distance in the future. The "Chicago division" of the Baltimore and Ohio Railroad Company, built several years previously, to which it may be compared, has not yet become profitable to

the Baltimore and Ohio Company. As regards the 5 $\frac{3}{4}$ million dollars due at intervals during the next seven years on account of car trusts, &c., no condemnation can be too strong. Although the English trustees were supposed to have efficient control, yet this new prior capital has been created practically without authority, and no information as to the amount outstanding, &c., has been given in the annual reports. A considerable part of this increase is, no doubt, on account of the leased and controlled lines, and this shows what a multitude of liabilities the latter always entail. In this connection the lease of the Cincinnati, Hamilton, and Dayton may be mentioned. Although perhaps not at present an encumbrance, the latent liabilities are considerable, and it is difficult to see why these have been incurred. The Cincinnati traffic is much over-estimated, and is so far overdone, as scarcely to be worth competition; yet, practically, to obtain the 60 miles from Dayton, giving access to that city, it has been thought worth while to obtain control of 350 miles of line. All these things show that the Erie Company has been wrecked to a large extent by that irrational idea of expansion which has ruined so many other important undertakings. So far, we have dealt with facts which are capable of being understood, although their existence may be due to want of prudence. But when we come to that part of the report dealing with the company's relations to Messrs Grant and Ward, the whole affair is left in that darkness which has enveloped it from the beginning. It would appear that of an original advance to the company of 1,500,000 dols, all but 435,000 dols has been repaid, but although this is possibly the case, it appears that no less than 1,100,000 dols have to be raised, in order to redeem the securities belonging to the company pledged by Grant and Ward. The failure of the latter firm, therefore, seems to have caused the company a direct loss of about 665,000 dols. But the paragraph explaining the matter is so obscure that several common-sense explanations are possible.

The future is not very hopeful. The present collapse has been greatly due to the ambition of constructing a "great through system," while the business for which it was intended has been so far permanently affected that any very decided improvement cannot be expected for several years. The really valuable local and other traffic on the "Erie" system proper, east of Buffalo, although less pretentious, would have been far better worth attention. As regards the present floating debt, exclusive of the amount due on the unpaid 2nd consolidated coupon that will no doubt be provided by the holders of the shares and second mortgage bonds; but more substantial assistance is needed to place the company in a position of stable equilibrium. Thorough reorganisation is really required, and this might perhaps be effected by arrangement through a foreclosure under the first consolidated mortgage. If this were done, the anomalous second consolidated mortgage could be reduced to its right position, but the interest of a few large firms is so intimately connected with the latter, that some much less wholesome policy will be no doubt adopted. Under any circumstances, however, nothing is likely to be effectual without some more decided control over the management of the property. The president-elect may be all that is claimed, but the *morale* of the management generally is so unsatisfactory, that but little headway will be possible without ample power. That power can scarcely be given without a concentration of the voting strength on this side of the Atlantic. This can only be done by some form of efficient "voting trust" similar to that which, unfortunately, became defunct at the beginning of this year. Not that the trust in question was particularly efficient, that has been clearly proved, but there was no inherent reason why it should not have been. A properly constituted voting trust in the hands of trustees possessing ample knowledge is the great thing needed, either to firmly support a capable and an honest president, or to promptly displace one lacking intellectual or moral strength; yet the president must be no mere nominee, but one to whom, in matters of practical policy, a free hand can be given. All important financial measures should be under the absolute control of the trustees. The practical application of such a system is a matter of necessity when the majority of the securities

are held by English investors. But even when this is not the case, whenever the interests involved are important, it would be well to concentrate the voting power in order to make its use effective.

MEXICAN FINANCE.

We have received from M. Noetzlin the following statement, which purports to give the total amount of the outstanding debt of Mexico in April last, together with some comments upon the present financial position of the country. As to the accuracy of the figures we, of course, cannot speak. We can only state the authority on which they are given. But with regard to M. Noetzlin's comment, it would be interesting to know how it is that if Mexico has had a yearly surplus of about 2,000,000 $\frac{1}{2}$, and last year a surplus of nearly 3,000,000 $\frac{1}{2}$, she has not only been unable to pay her way, but has run rapidly into debt. What M. Noetzlin says as to the ruinous rates at which the money has been borrowed renders this all the more inexplicable. Only a Treasury in the last stages of exhaustion would consent to pay such rates. But according to M. Noetzlin, the Treasury has been full to overflowing. This is a point upon which the bondholders have a right to expect an explanation, and it is to be hoped that they will receive it at the approaching meeting, when also they will no doubt expect to be told exactly what is to be done with the bonds for 2,750,000 $\frac{1}{2}$, which are to be created in excess of the amount required for the proposed conversion of the debt.

CONDENSED STATEMENT of the ENTIRE OUTSTANDING MEXICAN INTERNAL and EXTERNAL DEBTS, made up in the Ministry of Finance in the Month of April last.

English debt, with all overdue interest and certificate debts	\$	c
Debt of 1864 of the Empire, as far as recognised	93,861,104	83
Registered claims of the Empire	16,195,413	84
Floating debt	6,704,160	33
3 per Cent. bonds of 1856 (internal), balance of an issue of \$21,786,000*	8,235,496	55
5 per Cent. bonds of 1852 (internal), balance of an issue of \$1,644,625*	565,313	0
Bonds created by Law, 12th September, 1862	143,155	33
Bonds of St Luis Potosi	193,283	0
Bonds of St Carlos Tamanlipas (so-called Carbajal bonds)	24,800	0
English Convention Debt:—	\$	c
Capital outstanding	3,363,073	0
Interest due	3,142,305	24
	6,505,378	24
Spanish convention of 1851, with interest due	504,032	57
Spanish convention of 1853, with interest due	2,955,688	60
Certificates in circulation not earning interest	4,790,549	85
Claims which are to pay an assessment of 3 per cent.†	106,320	0
Deferred claims in condition to be recognised†	4,971,482	36
Pending claims	2,294,666	29
Debt called "Peajes certificates"	2,119,878	0
Debt for the "Fondo Total of Minería"	2,794,165	0
Debt for amortisation of copper in Chihuahua	64,979	13
Debt for amortisation of copper in Sinaloa	25,487	70
Debt called "Permisos de Algodon"	450,000	0
	153,790,008	16

* These two issues are almost entirely taken up now.

† Certificates of the liquidation sections of former floating debt.

"To all the interest-bearing debts, interest is added up to beginning of year.

If you take out the first four items you will find that the whole of the internal debt, consolidated or to be consolidated, including the convention debts, amount to about 30,000,000 of silver dollars, or, say, 5 to 6 millions sterling. Of the 50 per cent. for which the Customs are pledged

to the floating debt creditors, the National Bank and creditors, in respect of nickel coinage, 45 per cent. will be released at the latest in June next, the remaining 5 per cent. before the end of 1885, these debts being by that time fully paid off by the assignation. Besides, it ought to be borne in mind that the Customs' dues have lately been increased by 5 per cent.

The normal financial situation of Mexico is as follows:—

Income from all sources may fairly be placed at 30,000,000 dols a-year; it has been as high as 35,000,000 dols in 1883.

The cost of the whole administration, including all branches, lies between 20 and 21 millions, therefore surplus nearly 10 millions applicable to service of all debts, railroad subsidies, public works, and renewal of war and telegraphic material. It would therefore be as easy as possible to balance the Budget were it not for the floating debt, which must be paid off rapidly for the protection of all creditors, ruinous rates of interest having formerly been paid for the carrying of the floating debt."

BUSINESS NOTES.

DIFFICULTIES ATTENDING THE REGISTRATION OF AMERICAN RAILWAY SHARES.—Attention has been recently directed to the difficulties incidental to the registration of American railway shares by English investors. But few of the important companies have official agencies in London, even in such cases as the Pennsylvania and Illinois Central Railroads, where so large a proportion of the share capital is held on this side of the Atlantic. As a consequence, investors have usually to pay something like 6d per share to some firms of bankers or brokers possessing agents in America in order to effect registration. In addition to this, a power of attorney has to be given for the collection of the dividends. Frequently, to avoid trouble, shares are placed by purchasers in the name of the firm acting on their behalf, from which the latter frequently derive considerable advantages. A small direct profit is usually made out of the difference in exchange, and this is increased when there are any distributions of new stock. One point of importance is the almost commanding position held by a few firms in relation to certain companies, simply through holding *ex officio*, in the manner described, a large number of votes. Concentration of voting power is desirable, but only in the interests of the shareholders proper, not for the benefit of a few large firms. In this, as in other respects, it is as much in the interest of the companies as of the shareholders to effect the needed improvement. At a time like the present, when American railways generally are so much discredited, any practicable step should be taken which would tend to improve their position in this market. The relative expense to a company, say, like the Pennsylvania Railroad, would be an almost trifling matter, but a continuance of the present anomalous condition of affairs will excite enough dissatisfaction to have a decidedly adverse influence.

MR STANLEY ON THE CONGO QUESTION.—In his extremely interesting address, Mr Stanley was much more successful in showing how great are the potentialities of trade on the Congo than in indicating the means by which that trade is to be developed. He promised, indeed, that the International African Association will offer ample facilities for the extension of commerce. To the traders of all nations, he says, "Come in and possess the land. We invite you freely. Come with your cottons and woollen stuffs, with your trinkets, with your beads and brass wire, with all your lighter fabrics, such as are portable, and trade freely without fear of annoyance from Customs and exactions. We are not traders ourselves; we do not understand it, but you do. We will guarantee the peace between you, and all your agreements with the natives we shall see religiously kept." But while holding out this liberal invitation, he failed to make it clear who is to protect the protector. The Association can only help others on condition that it is itself assisted. It could not, for instance, maintain its position if any European Power seriously

assailed it, and the condition precedent to its continued existence is thus an agreement between the Powers to recognise and support its claim. This is the difficulty that has confronted us hitherto in our attempts to deal with the Congo question, and it cannot be said that Mr Stanley has succeeded in showing how it is to be overcome.

SHIP-BROKAGE IN FRANCE.—There has this week been issued a Parliamentary paper containing a further batch of correspondence respecting ship-brokerage in France. From this it appears that the question has made little progress during the past eighteen months. Practically, all that has been done is that the French Government has asked the opinion of the Chamber of Commerce of the ports upon the subject, and the replies it has received do not encourage the hope that much will result from the inquiry. The gist of these replies is thus summarised by Mr Crowe:—"The Chamber of Bordeaux, acting on a long report drawn up by the brokers of that city, is opposed to all modifications of the law, as well as to most of the changes suggested in the English proposals. A neutral attitude is only maintained in respect of the certification of the 'Rapport de Mer.' The Chamber of Commerce of Dunkirk commends its own tariff for 'simplicity and proportionality,' thinks that if unification should be advocated, that tariff should be accepted as typical for all other ports, and favours the special remuneration of oral interpretation in certifying the 'Rapport de Mer.' The Chamber of Commerce of Nantes rejects the Havre tariff, and all reforms, except, perhaps, that respecting the 'Rapport de Mer.' St Nazaire objects to uniform dues, or modification of rules as to oral interpretation of the 'Rapport de Mer,' but recommends a special tariff for translations. Marseilles, on the contrary, is favourable to all reforms, including that suggested by St. Nazaire. Nice would approve a proportional scale of fees in accordance with the importance of the business done at the several ports. La Rochelle, whilst thinking that some of the present charges are unfair, opposes the Havre scale, but admits that ship-brokers ought only to charge for the services which they have practically rendered. Toulon dissents from any change except that recommended by Marseilles and St Nazaire as to a special remuneration for translations." In view of this conflict of opinion, it does not seem likely that the French Minister of Commerce will attempt to enforce the reforms which the British shipowners are asking for, but Mr Crowe is still of opinion that some amendments of the existing practice may be effected.

THE GRAND TRUNK RAILWAY OF CANADA EARNINGS.—It could hardly have been otherwise that, with the present depression in trade in Canada, the bad harvest of 1883, and the competition with American lines, the gross and net earnings of this company should have been affected to a considerable extent. Nevertheless, the following telegram has been badly received here, and accounts for the fall this week in the value of the stocks interested:—

Subject to final audit, June half revenue, 433,573*l.* against 511,969*l.*; extra receipts, 81,423*l.* against 51,320*l.* Interest on debenture stock bonds and rents, 327,177*l.* against 313,822*l.* Subsidiary lines, 73,627*l.* Net, 114,192*l.* Great Western proportion, 35,258*l.* Grand Trunk, 79,934*l.* with December balance, 1,032*l.* covers Firsts, and leaves balance 592*l.*

The gist of this statement is that the available balance is 114,192*l.* against 201,350*l.* at this time last year, and this would be divisible as under:—

	1884.	1883.
	£	£
Grand Trunk proportion	79,934	140,945
Great Western do	34,258	60,405
	114,192	201,350
Grand Trunk first preference dividend	80,374 (& 2nd pref.)	138,529
Great Western dividend	104,396	104,396

The deficit upon the Great Western dividends is, therefore, quite 70,000*l.* which sum is, we suppose, for the last time, taken from the Great Western reserve fund, as the Great Western Company has now wholly ceased to exist. It should be borne in mind that the first is always the worst half of the year to the Grand Trunk Company; but that, as far as net earnings go, 10,000*l.* only was obtained towards the Grand Trunk first preference dividend.

THE COMING NEW SOUTH WALES LOAN.—Telegraphic advices refer to the coming introduction of another New South Wales loan for the construction of railways. The amount is to be for five millions sterling, and it is to be issued and inscribed by the Bank of England. There is naturally a desire at the present time to introduce colonial loans here, because the rise which has taken place since Mr Childers announced the conversion has rendered the market highly favourable to the absorption of such high-class securities. New South Wales railways are already profitable to the Government, and of very great assistance to the colony generally, and there is consequently less hesitation in placing such an issue, though the amount is substantial even for New South Wales.

WILLS AND BEQUESTS.—The *Illustrated London News* gives the following list of wills proved, with the amount of the personalty in each case:—

	£
Dame Jane Barker Mill, Montisfont Abbey, Southampton	75,000
Dame Frances Lamb, 3 Cadogan place	37,000
Mr George Rothe Ladeveze Aldercron, Moyglare, co. Meath	163,000
Mrs Helen Elizabeth Page Fryer, 17 Southwick crescent, Hyde park, and of Battlesden House, Sussex square, Brighton	63,000
Mr George Powell, Rock Dale, Tunbridge Wells	54,000
Colonel Wyndham Edmund Bewes, 67 Ladbroke grove, Notting hill	32,000
Mr George Augustus Colman, 70 Adelaide road, South Hampstead, and of 29 Argyll street, Regent street	24,000
Mrs Mary Henrica Neave, 39 Bryanstone square	19,000
The following is from the <i>City Press</i> :—	
Charlotte's Baroness de Rothschild, Gunnersbury park, and 148 Piccadilly	295,139

Correspondence.

CONVERSION OF THE GOVERNMENT DEBT.

TO THE EDITOR OF THE ECONOMIST.

SIR,—A question of considerable importance must come before the boards of directors of life assurance companies during the next two or three weeks, as almost all the leading companies hold 3 per cent. Government stocks, which the Chancellor of the Exchequer now wishes to convert into 2½ per cent. stock, at 108 per cent., thus yielding 2½ 14s per cent. instead of 3 per cent. as at present.

And the question is, should a life assurance company accept this offer? I say, No. Such a company would not be justified in accepting even Government security to yield so low a rate. The Government, even if it sees its way (which is very doubtful) to pay off those who do not convert, must give a year's notice, which is most important and valuable to stockholders, as it gives them ample time not only to reconsider their position, but to avail themselves within that time of any stringency in the money market.

Moreover, if the Government is able to pay off Consols, the market value and the marketability of other securities, such as railway debenture stocks—held by almost all companies—would be increased. Therefore, the importance of holding Government security to meet any sudden demand and give a "tone" to balance-sheets no longer exists.

If any company decides upon making the conversion, it will probably do so, in the belief that the two-and-half stock will grow in value, and yield a profit on a sale later; but that is a speculation which would scarcely be entered upon but for the fact of now holding the 3 per Cents.

If the past has any lesson for us, it is that money will not long continue to rule at its present low value.

September, 1884.

J. C.

[Our correspondent is surely trying to make a mountain out of a molehill. According to the latest report of the Board of Trade, the total of the assets of the ordinary companies amounts to 162,600,000, and of these less than 4,800,000 consist of British Government securities. The amount of 3 per cent. stock held by the companies is thus insignificant alike in proportion to their total assets, and to the total of the debt with which Mr Childers has to deal. Accordingly, the action of the companies will have very little influence either one way or the other upon the success of the proposed conversion. As to the propriety of converting, the managers of the companies will exercise their

own discretion. We may point out, however, that when our correspondent states that if the managers refrain from accepting Mr Childers' offer they will gain time to reconsider their position, he omits also to remind them that this time is gained at the cost of sacrificing the premium of 8 per cent. on the 2½ per Cents, which they can now secure.—ED. ECON.]

THE CONTROL OF AMERICAN RAILWAYS.

TO THE EDITOR OF THE ECONOMIST.

SIR,—Your article of August 23, on "The State Control of Railways in America," presents the facts clearly. But a mere statement of the facts without a fuller explanation of the reasons is liable to give a wrong impression. The article implies that the differences in railway management between England and the United States are in large measure the result of differences in legislation. This is a mistaken inference. It would be nearer the truth to say that the differences in legislation were the result of differences in management. The fact probably is, that the different systems of management and legislation, both are an almost inevitable outgrowth of the different industrial conditions of the two countries; and that any scheme of Government policy has counted for little in either case.

The American railways have been mainly built with a view to the development of new lines of traffic, new establishments, or even new cities. The English railways were mainly built to give increased facilities to business which already existed. Such business has, of course, grown enormously under their influence, in England as well as America, and the companies have made special rates to develop it. But the multitudinous special rates of the English railways were nearly all made for the purpose of giving new markets for old sources of supply, while the American railways aim to create new sources of supply for old markets. The ultimate outcome of the two processes might be the same, the immediate practical effect is different.

This hope of future gains out of all proportion to present traffic of necessity gave railway business in America a more speculative character. It has had another less obvious effect of at least equal importance. It has made permanent traffic agreements between rival systems almost impossible. Each new line that was built changed the relative strength of many old ones, and unsettled the basis on which their agreements were made. The railway system of England had practically taken its present outlines as early as 1855. There were fierce wars of rates, both before and after that time; but sooner or later they ended in agreement, and an agreement once made was apt to be something permanent. If a division of traffic was right in 1860, it was presumably nearly right in 1870. In America there was no such presumption. The rival routes had to fight it out under changed conditions every two or three years. A division of traffic for fourteen years or more, not infrequent in England, would be out of the question in America. American traffic agreements have to provide for constant revision of percentages; each revision offers the opportunity for a new quarrel. Arrangements of long standing, like the Chicago-Omaha pool, may be completely unsettled by a new system of connecting lines. Steady maintenance of scheduled rates seems equally impossible. Competition, which in England is brought under control, is in America only held in abeyance for short periods.

Such a state of things makes efficient regulation impossible. If the community demands rapid railway extension, you cannot forbid parallel lines, even though they involve waste of capital. This was as true of England in 1845, of Belgium in 1860, or of Germany in 1872, as of America in 1882; only not on so vast a scale. It makes little difference whether you have a "general railroad law" or require special charters, as long as you grant such charters bountifully. Again, in the matter of rates and fares—if competition is done away with, you can apply almost any scheme you please, with comparatively little harm; if competition is active, you cannot with justice or with success do what will cripple one competitor against another. There is a great deal of discussion in America about "short-haul" bills, that is, attempts to embody in statute the principle which in England was judicially settled in "Budd's case," that you cannot charge less to a through point than to an inter-

mediate one, merely because there is competition at the through point. But if this principle were thoroughly applied in the United States, many roads would be reduced to the alternative of either carrying their local traffic at rates which would not pay fixed charges, or letting their through traffic take routes not thus hampered; for instance, *vid* Canada. The Grand Trunk Railway and the St. Lawrence ports would be the chief gainers by any such arrangement; the loss would make itself felt through the best managed railways of the United States.

Such schemes of tariff regulation can be applied when you can raise your through rate at will—that is, when competition is abolished. To do it thoroughly, you must either feel no water competition, or do away with it—as in those parts of central Europe where there is a percentage division of traffic between railway and river. If it could be agreed that only a certain percentage of French hops should take the route to London *vid* the Thames, no doubt the discriminations against Kentish hop growers could be more easily abolished by an increase in the rates for foreign hops. A hard and fast law, without such a division, would send all the through traffic by river. This offers a type of the difficulties by which railway regulation in America is beset.

It is to these industrial conditions, and not to the lack of attempts to regulate, that the failure of State control in America is due. There are striking instances in point. The Granger legislation twelve years ago was an earnest popular protest against railroad lawlessness. Public opinion was so strong that the railways were forced to acquiesce in the laws. The result was that their profits fell to nothing, or less than nothing. In some States, the executive officers seeing this, let the laws remain unenforced; in Wisconsin such a law was enforced for two years, with the result of crippling the railway service, stopping all new construction, and arresting the whole business development of the State; so that the very persons who had been most clamorous for it assented to its repeal. This is, in some respects, not a fair instance, for the law was a bad one in itself; but it shows the kind of effects to which America is liable from ill-judged legislation. In England such effects are felt but slightly. There has been a series of English decisions fixing rates more and more closely. First, the case of Budd, already alluded to, prohibiting the company from charging less for the whole distance than for a part; next, several decisions making this prohibition apply to inequalities on different lines of the same company; then the Denaby Main Colliery case, requiring them to charge for the longer distance not merely no less, but actually more; and, finally, the *obiter dicta* of the Commissioners in the case of the Broughton and Plas Power Coal Company, to the effect that the difference in charge must amount to more than the difference in expense. If such things became law and were enforced in America, they would create a panic; in England they scarcely call forth a public protest.

The cases where regulation of rates has been partly successful have been in those States where all competitive traffic is divided, and where there is either little water competition, as in Iowa, or where it is included in the division, as in Georgia and other southern States.

The case of Massachusetts, cited in your article of August 23, merits special attention. The Massachusetts Commission was an able one, and its work was good. But the character of the Massachusetts railway system can hardly be attributed to the work of the Commission, for their general character, with but few exceptions, was the same before the work began. The previous lack of publicity was not due to the fact that the companies had sins to conceal. It was not the success of the work of the Commission that gave the railway system its character, it was the character of the railway system that gave the work of the Commission its success. A Commission with almost the same powers and aims (not to be confounded with the Railway Board of 1844-5) was established in England in 1840, just before a period of signal abuses, yet it failed so completely as to leave scarcely a record of its existence. The success of the Massachusetts Commission was largely due to the fact that the Massachusetts railway system reached maturity sooner than that of other States. Massachusetts has about as much railway per square mile or per head of population as England, and its business is of somewhat the same character in respect to stability. Even the development of

new connections makes comparatively little difference with its railways. Everything favours the belief, not that such legislation would produce similar results in other States, but that it requires similar industrial conditions for its success.

In the infancy of the railway system, each country was brought face to face with the alternative—State control or competition. State control avoids waste of capital, and many specific abuses. Competition brings out the best methods of doing business, and develops rapidly the general interest of the country. It seems impossible to combine the two. It would be hard to find a satisfactory instance of active competition under efficient control. Forced to choose between the two, continental Europe chose Government control; England and America chose competition. In England competition did its work, and has nearly passed away; it is now being succeeded by Government control. In America it has not yet done its work, and is far from having passed away. Such measure of Government control as is possible in England to-day must be a thing of the future in America.—Respectfully yours,

ARTHUR T. HADLEY.

Newhaven, Conn., Sept. 5, 1884.

PARASITES OF THE STOCK EXCHANGE.

TO THE EDITOR OF THE ECONOMIST.

SIR,—As a subscriber to the *Economist* of many years' standing, I read your article on "Parasites of the Stock Exchange" with much interest.

I am at one with you when you say that "it is difficult to find terms adequate to express an honest opinion of that outside professional speculation which now flourishes so abundantly under the form of Stock Exchanges—*et hoc genus omnes*;" and further that the matter requires examination as "a dangerous and rapidly-growing public nuisance."

But when you say at the conclusion of the article that the complaints of the members of the Stock Exchange "are not entitled to much consideration," "because not disinterested," I feel as a member of that body a desire to join issue.

If there be "a dangerous and rapidly-growing public nuisance" from Stock Exchange parasites, I wonder why it did not occur to the writer to ask what that institution has done to free itself from reproach. Such a question is the natural outcome of the article.

If he will put this question to any member of the Exchange, he will find that not only does the Stock Exchange Committee take no steps to abate the evil, but that both indirectly and directly, it fosters this "public nuisance," to the detriment of its own members, and the injury of the public.

A member of the Stock Exchange makes a declaration that he is not a member of, nor a subscriber to, any other institution in which dealings in stocks and shares are carried on, and also, it is a well understood rule that the Committee forbid members to advertise, but by an inconceivable omission, any member may do business with the advertising institutions you so reprobate, although he himself may not advertise.

Furthermore, the advertising institutions are still permitted access to the Stock Exchange, through specially favoured telegraph companies, and can still advertise, as on the circular I enclose, that they "are in instantaneous communication with the Stock Exchange."

The telegraph company employed by these advertisers has its office within the Stock Exchange, and pays its rent to the Stock Exchange managers.

If parasites exist, as undoubtedly they do, let the Stock Exchange be first asked to do its duty, and make an attempt to grapple with the evil. Let it prohibit its members from identifying themselves with advertising institutions such as you describe, and, in addition, give the favoured telegraph companies notice that they have their special facilities on the distinct understanding that they do not supply advertisers with quotations.

It is too much to expect that this will eradicate the evil, but, at all events, it will not foster it.

At present legitimate stock business is heavily handicapped in favour of illegitimate gambling hells, and that by

Two still-born newspapers are on the list of failures. One, which was to be called the *Bienfiteur Francais* (French Benefactor) is in the *Gazette*, although founded with a nominal capital of 2,500,000f, which cannot have been sunk in publication as no number has ever appeared. The other was the *Reclaine* (or Puff), with a capital of 200,000f, apparently founded to introduce financial undertakings to the public, but which was started at an unfavourable moment. Before the crash it might have had a chance of success.

A decree of bankruptcy has been issued against the Arme-ment Maritime Insurance Company, 8 Place de la Bourse.

The liquidators of the Banque des Depôts et d'Amortissement announce a dividend of 50f to shareholders—the fourth.

The receipts from shipping on the Suez Canal in the first decade of September amounted to 1,740,000f, as against 1,530,000f in the corresponding ten days of 1883.

The following is the declared value of the foreign trade of France in the first eight months of the year :—

IMPORTS.		1884.	1883.
		Francs.	Francs.
Food	.....	955,064,000	1,030,028,000
Raw materials	.....	1,490,670,000	1,473,372,000
Manufactures	.....	421,939,000	473,820,000
Divers	.....	118,484,000	127,134,000
		2,976,157,000	3,104,354,000
		£119,046,280	£124,174,160

EXPORTS.		1884.	1883.
		Francs.	Francs.
Food	.....	495,075,000	519,892,000
Raw materials	.....	410,227,000	426,319,000
Manufactures	.....	1,037,323,000	1,145,904,000
Divers	.....	97,807,000	98,157,000
		2,044,432,000	2,190,272,000
		£81,617,280	£87,912,880

The imports in August amounted to 336 millions, the same as in July; but compared with August in 1883, there was a diminution of 62 millions. As the diminution since the commencement of the year has been in both food and manufactures, while those of raw materials have increased, the result may be deemed satisfactory. There was a decrease of three millions in the exports on July, and of 22 millions on August last year. The falling off in French trade in 1884 has been most felt in the exports, which, since the 1st January, lost 150 millions, while the imports diminished 28 millions only, and the great part of the decrease of exports, 108 millions, was in manufactures. The exports of food also fell 24 millions, and those of raw materials 16 millions. The balance of imports over exports, which is watched with jealousy as an unfavourable sign, was 975 millions this year, and 914 millions in 1883.

A statement has been made in the English papers that the Huddersfield Chamber of Commerce reported that France had increased the duties on goods mixed with silk from 100 to 300 per cent., but that on representations being made the former tariff had been restored. This news may cause some misapprehension, for no attempt has been made here to change the duties. The report arose from an isolated incident, in which the French Customs claimed to remove certain goods from one class to another. Some mixed woollens for trouserings and coatings are made with a single floss silk thread in the warp to mark a stripe in the pattern, and the Customs proposed to class them as goods with a warp of mixed wool and silk. The proportion of silk was, however, so small compared with the wool—one to 300—that the Customs have not insisted on the change of class. The matter was before the Paris British Chamber of Commerce, which would have taken it up had not the measure been recalled almost as soon as established.

Accounts from the French hop districts announce exceptionally large yields, but growers are discontented at the prices offered, and refused to sell to factors, who could have found a market in England at 5/ to 6/ per cwt, but dealers have since reduced their offers, as the Germans are making large shipments in prevision of lower rates. In Burgundy there are still buyers at 4/ to 4/ 10s for export, but the demands have lessened; the same rates are current in Alsace and Lorraine, but there also growers prefer to wait, although reports from all continental places announce large crops and excellent quality. Bohemia has usually to buy for consumption, but it is estimated that the yield will leave four or five thousand tons for export. In Belgium also, where purchases were made in the summer at 6/ for delivery in October and November, prices now rule from 3/ 15s to 4/ 5s.

GERMANY AND AUSTRIA.

(FROM OUR OWN CORRESPONDENT.)

VIENNA, September 15.

On Friday last, the syndica'e Rothschild Credit-Anstalt announced to the Hungarian Minister of Finance its intention of completing the conversion of the Hungarian gold Rente, of which an amount of 125 million florins is still unconverted. The conversion may therefore be regarded as complete, and this fact is of the highest importance with regard to the consolidation of the Hungarian debt. Not only does Hungary save more than two million florins a year in interest, but, by converting her 6 per cent in to 4 per cent. loans, she has been admitted within the countries enjoying European credit, a practical advantage which Hungary requires every year when it has to provide by note Rente for its deficit. The completion of the conversion is a success on Hungary's part, and a success on the part of the Tisza Cabinet. The total operation comprises 405 million florins (40 million pounds sterling) worth of 6 per cent. Rente, for which 545 million florins 4 per cent. Rente is now paid. At the last emission the price of subscription was 77 1/2 per cent. gold. Ten years ago, Hungary was obliged to pay 9 per cent. interest for its loans; as late as five years ago the Rothschild Credit-Anstalt syndicate found it difficult to get the 6 per cent. gold Rente subscribed for at the rate of 69 per cent. At present the 4 per cent. gold Rente is 9 per cent. higher than that quotation. The rate of interest on the Hungarian debt has fallen from 9 to 5 per cent. in the course of ten years.

Apart from the completion of the conversion, the absorbing financial subject is Tisza's account of his political plans for the next Session, which he gave to his electors at Grosswardein. They prove that he is with all his heart a Liberal and a Free-trader. It may be hoped that when the treaty between Austria and Hungary comes to be renewed in a few years time, Hungary will oppose the tendencies now uppermost in Austria which are strongly protectionist. Each branch of industry seems to think that its own particular interests should be specially considered and that it is entitled to the exclusive protection of the Government and the State.

The society of sugar manufacturers of Eastern Bohemia has held a meeting, in which it was agreed to demand a prolongation or suspension of the tax due for the end of this and the whole of next year; that the tax should be altered every year according to the price of sugar; that a bounty system for the export of sugar should be established by a reduction of the railway tariffs for the transport of sugar; and new means of obtaining cheap advances in cases where a stock of sugar can be pledged.

An artisans' assembly was held in Vienna, at which it was resolved to agitate for further restrictions of the liberty of trade, which has already been considerably reduced since the new law introduced last year. They demand that all manufacturers who produce articles of trade should be obliged to pass an examination proving them to be efficient in the trade they profess; that merchants trading with articles produced by artisans are to be prohibited from making the goods they sell; that manufacturers shall not be allowed to keep apprentices, and many more similar absurd restrictions.

The negotiations for arranging the affairs of the firm Weinrich are taking a favourable turn, but are by no means complete. The "moratorium" has been prolonged [to the end of September, and it is hoped that by that time] means for saving the manufactory will have been found.

The Bourse is in a sound condition just now, and even the prices of the Credit-Anstalt's shares has risen.

At the end of this week the Arlberg Railway will be opened, and the Emperor on his return from the meeting with the Emperors of Russia and Germany will be present.

The returns of Austria-Hungary's foreign commerce during the first half of 1884 show that the Empire's traffic experienced a reduction when compared with the preceding year, but the difference was not so great with imports as with exports. The value of the imports of the first half-year was 307.3 million florins, against 319.0 million florins in the first half-year, 1883. The exports were worth 310 million florins, against 358.6 million florins during the first half-year, 1883. These figures are the lowest since 1877, except 1882. The value of exports and imports during the first half-year of the last eight years was the following :—

	Imports.	Exports.	Total of Imports and Exports.	Excess of Imports.	Excess of Exports.
1884	307.3	310.1	617.4	.....	2.8
1883	319.0	358.6	677.6	.....	39.9
1882	370.8	332.1	702.9	38.7	.....
1881	299.1	343.6	642.7	.....	44.5
1880	288.4	302.7	591.1	.....	14.3
1879	255.5	340.6	596.1	.....	85.1
1878	271.2	289.0	560.2	.....	17.8
1877	255.8	257.7	513.5	.....	1.9

RAILWAY TRAFFIC RECEIPTS.

Table with columns for Week's Receipts (Amount, Inc. or Dec. on Corresponding Week in 1883) and Aggregate Receipts of Half-year to date (Amount, Inc. or Dec. on Corresponding Period in 1883). Rows list various railway companies like Great Eastern, Great Northern, etc.

* In these cases the aggregate is calculated from the beginning of August. † We give the aggregate as published.

COLONIAL RAILWAYS. — The unfavourable dividend announcement of the Grand Trunk was followed by a heavy fall in that company's stocks. They have been, however, rather stronger to-day, but did not close at the best. Canadian-Pacific have fallen in sympathy.

Table showing Closing Prices and Inc. or Dec. for BRITISH POSSESSIONS: Bombay and Baroda, Canadian-Pacific, Grand Trunk of Canada, Ditto Third Preference, Great Indian Peninsula, Madras 5%.

AMERICAN RAILROAD SECURITIES. — This market has continued in a weak state. Central Pacific Shares are 2 down, Denver Common 2, and the Mortgage 4, Illinois Central 2, Lehigh Valley 4, Louisville and Nashville Stock 1/2, New York Central 2 1/2, New York Lake Erie 1 1/4, and the 2nd Mortgage 4 1/2, New York, Ontario, and Western 1, New York, Pennsylvania, and Ohio 1 1/2, Norfolk and Western 1, Pennsylvania 1 1/4, Philadelphia and Reading 1, Union Pacific 1 1/2, Wabash Preference 1, and the General Mortgage 2.

FOREIGN RAILWAYS.—The movements of the week have been mostly amongst South American lines, which are certainly firmer. Buenos Ayres Great Southern has improved 1, Central Argentine Stock 2, Central Uruguay Shares 1/2, East Argentine 1/2, La Guaira and Caracas 3/4, Mexican Debenture Stock 2, Northern of Buenos Ayres Shares 1/2, and Riga and Dunaburg 3/4. The obligations are very generally higher in sympathy.

BANKS.—The principal feature has been the rise in London Joint Stock and Union of London Shares, which are 1 higher. Alliance have improved 1/4, Anglo-Egyptian 1/2, Bank of British North America 1, Chartered Mercantile 1/2, City 1/2, Colonial 3, and Union of Australia 1. Bank of New Zealand are down 1/2, Hong Kong and Shanghai 1, and Queensland National 1/4.

CANALS AND DOCKS.—Surrey Commercial Docks are quoted 4 1/2 higher, East and West India 2, and London and St Katharine and Millwall 1; but Southampton have fallen 1. Suez Canal Shares have risen 1 this week.

COAL AND IRON.—Nantyglo and Blaingy have advanced 1. COMMERCIAL, INDUSTRIAL, &C.—Bryant and May are 3/4 higher, Linoleum Manufacturing 1, Lion Brewery 1/2, and Rio Improvements 1/2. Native Guano are down 1/4, Nobel's Explosives 1/2, and Royal Aquarium 1/4.

CORPORATION STOCKS.—Nearly all the Colonial City Loans are quoted 1 higher, while Borough of Napier has risen 2, and City of Dunedin 6 per Cent. 4.

FINANCIAL, LAND, &C.—British American Land have risen 1, North British Australasian Guaranteed 1, Scottish Australian Investment 5 and 6 per Cent. Preferences 2 and 3 respectively, and South Australian Land Mortgage and Agency 1/4.

GAS.—Commercial Ordinary and New have risen 3, Continental Union 1 1/2, Gas Light and Coke A and H Stocks 2, Imperial Continental 1, and Oriental New 1/4.

INSURANCE.—Atlas, Guardian, London Assurance, and Ocean Marine have all improved 1, Royal Exchange 5, and Thames and Mersey Marine 1/4.

MINES.—Tincroft and Van have fallen 1. Foreign mines are firmer. Colorado, Fortuna, and Linares are 1/2 higher,

Mason and Barry 1/8, Richmond Consolidated 1/8, Rio Tinto Shares 3/8, and Tolima 1/2. St John del Rey Stock is down 5. SHIPPING.—General Steam has risen 1, but Royal Mail are 2 down.

TEA.—Darjeeling have advanced 1. TELEGRAPHS.—Anglo-American Preferred and Deferred have risen 1/2, Cuba Preference 1/2, Direct United States, Eastern and Eastern Extension 1/2, Indo-European 1/2, and Western and Brazilian 1/8.

TRAMWAYS.—London and General Omnibus have risen 5, and most of the principal tramways about 1/4.

WATERWORKS.—Kent Stock has risen 10, Lambeth 7 1/2, Southwark and Vauxhall 3, and West Middlesex 5.

CORRECTION.—In our remarks last week upon Tramway and Omnibus Companies, the dividend of the London Street Tramways Company was in error stated at 7 per cent., whereas it was 8 1/2 per cent., thus showing an increase of 1/2 per cent. as compared with the corresponding period.

BULLION.—The following is taken from the circular of Messrs Pixley and Abell, dated Sept. 18 :—

Gold.—There has been little or no demand for any quarter since our last circular. The chief arrivals are: from South America, 18,600, and West Indies, 12,000. Of the above, 14,000 was purchased by the Bank, which has since taken 7,000 sovereigns from Spain. The sum of 75,000 has been withdrawn during the week, for New York and Egypt. The P. and O. steamer sailed yesterday with 237,995, in coin, for the latter place, and 5,000, in bars, for Bombay.

Silver, which closed at 50 1/2 d last week, improved to 50 3/4 d when it became known that Spain was wishing to buy. To-day, business has been done for India at the last figure. The imports are: per Nile, from West Indies, 5,500; Britannic, from New York, 51,800. The Chili mail, arriving to-morrow, brings 40,000. The Rosetta takes 25,000 to Bombay.

Mexican Dollars.—The Nile brought 8,000, and the French steamer 223,000, but of this large amount the bulk had been sold to arrive, and the remainder was sold at various rates between 50d and 50 1/2 d, the latter being the price fixed for the steamer.

Exchange.—11 lacs of transfers, out of 15 advertised, were yesterday sold at the Bank of England on Calcutta at 1s 7 1/2 d. The amount is again unaltered. The Indian exchanges are: —Transfers—Bombay, a holiday. Calcutta, 1s 7 1/2 d per rupee. 4 months' sight Bank bills—Hongkong, 3s 9 1/2 d per dollar; Shanghai, 5s 1 1/2 d per tael.

Quotations for Bullion—Gold.—Bar gold, fine, 77s 9d per oz standard; bar gold, containing 20 dwts of silver, 77s 10d per oz standard.

Silver.—Bar silver, fine, 50 3/4 d per oz standard; bar silver, containing 5 grains gold, 51 1/2 d per oz standard; cake silver, 54 1/2 d per oz; Mexican dollars, 50 1/2 d per oz. Quicksilver, 5/12s; discount, 3 per cent.

COURSE OF EXCHANGE.

Table showing Price Negotiated on 'Change' for various locations (Amsterdam, Hamburg, Berlin, etc.) with columns for Money, Paper, and exchange rates for Sept. 16 and Sept. 18.

FOREIGN RATES OF EXCHANGE ON LONDON.

Table showing Latest Dates, Rates of Exchange on Lond'n, and Rates of Exchange for various locations (Paris, Antwerp, New York, Rio de Janeiro, Bahia, Buenos Ayres, Valparaiso, Port Elizabeth, Wellington, N. Zealand, Yokohama, Singapore, Bombay, Madras, Calcutta, Hong Kong, Shanghai, Manila, Batavia, Melbourne).

Bessemer billets, guaranteed temper, 5/ 15s; second qualities, 4/ 4s; best tool steel, cast, 14/ and upwards; common, competing with Bessemer, 9/ per ton. Shipbuilding is as little prosperous as ever. There have, however, been a few additional inquiries this week. Engineers are generally quiet, but locomotive manufacturers are better. There is also a slight stir in the electric light machinery branch, where orders arrive faster than they can be executed.

THE COTTON TRADE.

LIVERPOOL.—SEPTEMBER 18

Cotton has been in fair demand throughout the week, but, with pressure to sell, prices generally have declined. Sea Island has been neglected. Quotations are without change. In America a fair business has been done, but the market is freely supplied, and quotations are reduced 3/4d per lb. In Brazilian the business has been small, and quotations are generally 1/8d per lb lower. Egyptian has continued in better demand without change in quotations, except for good and fine white, which are raised 1/4d per lb. Rough Peruvian is in fair request, but freely offered at the quotations; those of smooth are reduced 1/8d per lb. West Indian is without change. African is neglected, and quotations are lowered 1/8d per lb. East Indian has been in good demand, and an increased business has been done, but prices have been irregular, and quotations are partially reduced 1/8d per lb.

"Futures."—The market during the week has been depressed, and prices have declined 3/4d to 1/2d per lb for the near, and 7/8d per lb for the distant positions, the tone at the close being steady. The closing values are—Delivery: American, any port, l.m.c., September, 5 1/2d; September-October, 5 1/2d; October, 5 1/2d; October-November, 5 1/2d; November-December, 5 1/2d; December-January, 5 1/2d; January-February, 5 1/2d; February-March, 5 1/2d; March-April, 5 1/2d per lb. In Surats no transactions have been reported.

The sales of the week amount to 58,920 bales, of which 1,330 are on speculation, and 9,200 declared for export; the forwarded is 3,420 bales, of which 2,580 are American, 240 Egyptian, and 600 bales East Indian, which make the takings of the trade 51,780 bales.

PRICES CURRENT.

Table with columns: Descriptions, Ord., Mid., Fair, Good, Fine, Same Period 1883, Same Period 1882. Rows include American, Sea Island, Florida, Upland, Mobile, Texas, Orleans, Brazilian, Pernambuco, Ceara, Bahia, Maceio, Maranham, Egyptian, West Indian, Fiji Sea Island, Tahiti Sea Island, Haytien, La Guayran, Peruvian, Ditto Smooth, Ditto Sea Island, African, East Indian, Surat, Ginned Dharwar, M. Gin'd Broach, Dhollerah, Oomrawuttee, Veravul, Comptah, Scinde, Bengal, Rangoon, Madras-Tinnevely, Western.

IMPORTS, EXPORTS, CONSUMPTION, &c.

Table with columns: 1884, 1883. Rows: Imports from Jan. 1 to Sept. 18, Exports from Jan. 1 to Sept. 18, Stock, Sept. 18, Consumption from Jan. 1 to Sept. 18.

The above figures show :-

- A decrease of imports compared with the same date last year ofbales 143,270
A decrease of quantity taken for consumption of 39,140
An increase of actual exports of..... 12,390
A net decrease in stock of..... 142,000

In speculation there is an increase of 4,600 bales. The imports this week have amounted to 28,398 bales, and the quantity of American cotton reported at sea for Great Britain (including cable advices to date) is 58,000 bales, against 81,000 bales at the corresponding period last year.

MANCHESTER, SEPTEMBER 18.

The market has been quiet during the week, and prices have on the whole slowly weakened. Export yarns have been in exceedingly

slow request. Forties India mule has sold to a moderate extent. Small sales have been made for Japan and the Continent, for elsewhere there has scarcely been any inquiry. Home trade yarns have continued slow of sale, and quotations fully 1/4d per lb lower than last week. Fine yarns made from Egyptian cotton have experienced a poor demand, and prices have ruled somewhat irregular, but the tendency has been decidedly in favour of buyers. Cloth has been flat in all departments, and quotations generally easier as compared with last week's prices. Shirtings neglected, but common grades, owing to existing engagements, have been much firmer than finer makes. Printers have undergone no change in value, but there has only been a limited business done. Madapollams, mulls, and jaconetts almost unsaleable, though no alteration has been made in quotations. Velvets, sateens, and other special cloths keep in fairly good request, and the prices obtainable may be reported as tolerably satisfactory. Heavy goods no better to sell, and sales only practicable at ruinously low rates. The market to day has shown no improvement, though only in few instances have producers been induced to give way.

(I.) COMPARATIVE STATEMENT of the COTTON TRADE.

Table with columns: Price Sept. 18, 1884, Previous Weeks in 1884 (Sept 11, Sept 4, Aug 28, Aug 21, Aug 14). Rows include Raw Cotton (Upland middling, Ditto good middling, Pernambuco fair, Ditto good fair), Yarns (No. 40 Mule-twist fair, 2nd quality, No. 38 Water-twist, ditto), and various cloth types (26-in, 27-in, 39-in, 40-in, 42-in, 44-in).

(II.) COMPARISON with PREVIOUS YEARS.

Table with columns: Price, Sept. 18, 1884, Corresponding Week in (1883, 1882, 1881, 1880, 1879). Rows include Raw Cotton (Upland, good middling, Pernambuco fair, Ditto good fair), Yarns (No. 40 Mule-twist, No. 38 Water-twist), and various cloth types (26-in, 27-in, 39-in, 40-in, 42-in, 44-in).

THE WOOL TRADE.

The following particulars of wool sales just closed have been supplied to us by the selling brokers :-

Table with columns: Date of Sale, Sold to Home Buyers, Sold to Foreign Buyers, Total Sold. Rows list various firms and their sales volumes for different dates from August 12 to September 19, 1884.

COMMERCIAL TIMES

WEEKLY PRICE CURRENT.

* * The prices in the following list are revised on Friday, assisted by an eminent firm in each department.

LONDON, FRIDAY.

Table listing various commodities such as Arrow Root, Ashes, Brimstone, Flour, Cocoa, and others with their respective prices.

Table listing commodities including Dyewoods, Fruit, Raisins, Flax, Gutta Percha, Hemp, Hides, Hops, Indigo, Iron, Metals, and Oils with their prices.

Table listing commodities such as Oils, Provisions, Rice, Shellac, Spices, and Brandy with their prices.

Table listing commodities including Sugar, Tea, Tobacco, and Wool with their prices.

Stock Markets Price Current.

Table with multiple columns: BRITISH FUNDS, &c.; CORPORATION STOCKS (United Kingdom); FOREIGN STOCKS, BONDS, &c.—Co. (Coupons payable in London.); COLONIAL AND PROVINCIAL GOVERNMENT SECURITIES; CORPORATION STOCKS (Colonial and Foreign.); FOREIGN STOCKS, BONDS, &c. (Coupons payable in London.).

* The drawings are yearly in the case of stocks & which asterisks are prefixed. In almost all other cases, where there are drawings, half-yearly.

FOREIGN STOCKS, BONDS, &c. (Coupons payable abroad.)

Table with columns: Di ends Due, Sinking Fund %, Next Drawing, Name, Closing Prices. Includes entries for Argentine H2 Dia, Austrian Sil. Ren., Do Paper 1870, etc.

AMERICAN STOCKS.

Table with columns: Authorised Issue, Name, Redeemable, Closing Prices. Includes entries for Alabama, Gt. South. 1 Mt., Albany & Susque. 1 Mt., Atchafalaya, etc.

AMERICAN STOCKS.—Con.

Table with columns: Authorised Issue, Name, Redeemable, Closing Prices. Includes entries for CURRENCY BONDS, Wabash, Gen. Mort. Bnds, Do Cairo Div. Bonds, etc.

BANKS.

Table with columns: Authorised Shares, Last Annual Dividend, Name, Share, Paid, Closing Prices. Includes entries for Agra, Limited, Alliance, Limited, Anglo-Austrian, etc.

BANKS.—Con.

Table with columns: Authorised Issue, Last Annual Dividend, Name, Share, Paid, Closing Prices. Includes entries for Lond. Bank of Mex. & S. America, L., London Joint Stk., L., etc.

INSURANCE COMPANIES.

Table with columns: Authorised Issue, Let Ys Pr. Shr., Name, Share, Paid, Closing Prices. Includes entries for Alliance Brit. & For., Do Marine, Lim., Argus Life, etc.

* Periodical cash bonus in addition.

RAILWAYS.

ORDINARY SHARES AND STOCKS.

Table with columns: Authorised Issue, Paid, Name, Closing Prices. Includes entries for Bedford & Northampton Def, Do Preferred, Caledonia, Consolidated, etc.

RAILWAYS. FOREIGN RAILWAYS.

Table with columns: Autherised Issue, Paid, Name, Closing Prices. Lists various railway companies and their financial details.

FOREIGN RAILWAY OBLIGATIONS.

Table with columns: Bond, Name, Closing Prices. Lists foreign railway obligations and their prices.

RAILWAYS. FOREIGN RAILWAY OBLIGATIONS.—Con.

Table with columns: Bond, Name, Closing Prices. Continuation of foreign railway obligations.

TRAMWAYS AND OMNIBUS.

Table with columns: Share, Paid, Name, Closing Prices. Lists tramways and omnibus companies.

TELEGRAPHS AND TELEPHONES.

Table with columns: Stk., Name, Closing Prices. Lists telegraph and telephone companies.

COMMERCIAL, INDUSTRIAL, &c.

Table with columns: Share, Paid, Name, Closing Prices. Lists various commercial and industrial companies.

COAL, IRON, AND STEEL.

Table with columns: Share, Name, Closing Prices. Lists coal, iron, and steel companies.

FINANCIAL, LAND, & INVESTMENT

Table with columns: Share, Paid, Name, Closing Prices. Lists various financial and investment entities such as Agricultural of Mauritius, American Freehold, and various land and mortgage companies.

CANALS AND DOCKS.

Table with columns: Share, Paid, Name, Closing Prices. Lists canal and dock companies including Alexandra (Nwppt.&S.Ws.)Dks.&Rls., Birmingham Canal, and various dock companies.

GAS.

Table with columns: Share, Paid, Name, Closing Prices. Lists gas companies and their shares, including Alliance & Dub. Consums, Bahia, and various local gas utilities.

WATERWORKS.

Table with columns: Share, Paid, Name, Closing Prices. Lists waterworks companies such as Antwerp, Limited, Chelsea, Ordinary, and various municipal water supply companies.

SHIPPING.

Table with columns: Share, Paid, Name, Closing Prices. Lists shipping companies including African Steam Ship, Amazon Steam Navigation, and various steamship lines.

TEA AND COFFEE.

Table with columns: Share, Paid, Name, Closing Prices. Lists tea and coffee companies such as Assam Tea, British Indian Tea, and various plantation and trading firms.

BRITISH MINES.

Table with columns: Authorised Issue, Share, Paid, Name, Closing Prices. Lists British mining companies including Devon Great Consols, East Caradon, and various coal and metal mines.

COLONIAL AND FOREIGN MINES.

Table with columns: Authorised Issue, Share, Paid, Name, Closing Prices. Lists colonial and foreign mining companies such as Akankoo Gold Min., Alamillos, Limited, and various international mining ventures.

OFFICIAL RAILWAY TRAFFIC RETURNS.

Table with columns: Capital Exp'd and Exceeds Lines, Revenue past Half-Year, Dividend per Cent. per An., Name of Railway, Week Ending, Receipts (Passengers, Merchandise, Total, S'ine Week), Cost per Mile, Aggregate Receipts of Half-Year (1884, 1883), Miles Open in (1884, 1883).

COLONIAL, FOREIGN, AND AMERICAN RAILWAYS

Table with columns: Name, Week Ending, Receipts (1884, 1883), Total Receipts (1884, 1883). Includes sections for Colonial, Foreign, and American railways.

* Yearly from 1st January. † Yearly from 1st July.

PENINSULAR AND ORIENTAL STEAM NAVIGATION COMPANY. Under CONTRACT for HER MAJESTY'S MAILS to INDIA, CHINA, AUSTRALIA, &c. REDUCED RATES OF PASSAGE MONEY. SPECIAL RETURN TICKETS.

THE TELEGRAPH CYPHERS WITH TERMINATIONAL ORDER.

Final Revised Editions of the Original Works, extending to 136,000 Words: New English Work: Quantity and Quotation Tables. Prospectus and Specimen Pages on Application.

MACNIVEN AND CAMERON'S PENS.

Advertisement for Macniven and Cameron's pens, featuring an illustration of a fountain pen and text: '1775 Newspapers recommend them.—See Graphic.' 'They are a treasure.—Standard.'

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