

in sounds as does Bach, only his thought is (from our point of view) blurred, incomplete, and barbarous.

In endeavoring to reveal the identity of primitive and modern ideas of music the author cites Wagner's statement that "the power of the composer is naught else than that of the magician. It is really in a state of enchantment that we listen to one of Beethoven's symphonies." These and similar statements by German philosophers are taken literally instead of figuratively, and thus the conclusion is reached that "the musical metaphysics of the Germans and primitive magic are one and the same thing." Musical practice, on the other hand, we are further told, is not what it was formerly. We go to an opera or a concert merely for entertainment, whereas formerly "music was associated, as an organic and essential element, with the acts of religious and profane life, of war, and of peace." Here again M. Combarieu exaggerates. In war and peace, in camp, and battle, at weddings and funerals, in joy and grief, music is as closely related with life as ever. Of this close relationship the author himself gives some quaint illustrations in his chapter on Music and Social Life, particularly where he compares the ornamental style of French music under the ancient régime with the curl-papers, the ribbons, and the patches of that time.

Darwin's theory of sexual selection does not meet with entire approval in these pages, and certainly Darwin was wrong in saying that music cannot translate fear, hatred, terror, or fury. How about "Elektra"? "Why is not the ape a greater musician than the nightingale?" is another problem to be solved. More interesting is the attempt (p. 243) to show that Ferrand and Ingenieros were wrong in classing Victor Hugo, Andrew Lang, Théophile Gautier, Macaulay, Cuvier, and Max Müller as "musical idiots."

The few pages here devoted to magic and music are expanded in "La Musique et la Magie" to a treatise of 375 pages, with the sub-title, "Etude sur les origines populaires de l'art musical, son influence et sa fonction dans les sociétés." Though not "couronné par l'Académie Française," like the volume just commented on, it is a more scholarly and coherent treatise. In it an attempt is made to answer such questions as "Why does music hold so important a place in the history of civilization?" "Why was it associated from time immemorial with religious and social acts, with agriculture, with medicine, with love and hate, with every detail of life and death?" Musical historians generally begin with the ancient Greeks. From the tyranny of this custom the author frees himself, taking the reader much farther back, at least from the evolutionary point of view, by attempt-

ing to show that modern music sprang from primitive magic by way of "lyrisme religieux." In support of this thesis he adduces a vast number of facts relating to the magic rites and the music connected therewith of savages, barbarians, and ancient civilized peoples. We still use the word "charm" in connection with music, and, while it no longer means what it did, it recalls the time when men believed that music could compel rain or shine, love or hate; that it could heal or harm and influence life and nature in countless ways. That this belief was practically universal is what makes it interesting and important.

Before leaving for Europe, Gustav Mahler said: "Strauss has told me that henceforth he will write only operas. He says that he is done with symphonic works."

Theodore Spiering has been reëngaged as concert master of the Philharmonic Orchestra. He is assisting Mr. Mahler in the attempt to make the string family in the Philharmonic as select as possible.

Liverpool will commemorate on Saturday the diamond jubilee of Sir Charles Santley, who was born in that city in 1834 and began his musical career some fourteen years later. The chief feature of the concert to be given will be the appearance of the veteran baritone himself.

Goldmark's "Queen of Sheba," which was the sensation of the New York opera season a quarter of a century ago, is soon to have its first performance in the United Kingdom at Manchester, by the Carl Rosa Company. Goldmark, who will attain the age of eighty on May 18, spent a decade of his life writing and revising this opera.

The 11,500,000 marks needed for the new opera house in Berlin are now in hand, and the building is to be erected on Kurfürstendamm. Angelo Neumann, the veteran Prague manager, is to be the director-in-general. It was he who, nearly thirty years ago, toured various European countries with Anton Seidl and a Nibelung company.

Art.

AFTERTHOUGHTS ON WHISTLER.

A gentleman once came into a painter's studio, and in the course of chat admitted an income of fourteen thousand crowns. Before leaving, he inquired the price of a landscape and was told two hundred crowns; smilingly, he said he would call again, in hope of a lower price. On a second visit, the price was three hundred. Scenting a joke, the patron redoubled his praises of the picture and made a third inquiry. "Four hundred crowns," said the painter, "and a hundred crowns more every time you ask; and to rid myself of your importunity, and show up your stinginess, and finally, to prove that with all your fourteen thousand crowns you cannot buy one picture of mine, here goes." Whereupon the painter kicked the canvas into

rag. This story is told, not of Whistler, but of one Salvator Rosa, who, more than two centuries earlier, had unparadoxically anticipated many of the devices of the author of the "Gentle Art of Making Enemies." Salvator's pictures are still in the galleries, but how little the pose he elaborately maintained now matters! The time will come when Whistler's symphonies and arrangements will have no advantage in mere notoriety over the reliques of stupid men. Horsley, of whose campaign against the nude was contemptuously written *Horsley soit qui mal y pense*, may look nearly as impressive as Whistler in a museum catalogue of the twenty-second century.

Already the mere wonder of Whistler is lessening. The legend which he assiduously built up is crumbling, despite the official hagiographers. Such comprehensive exhibitions as those of Boston and London tended at once to make more normal and slightly to diminish the impression of his art. The smaller anthology now presented by the Metropolitan Museum leaves one positively rubbing one's eyes and wondering what these battles already long ago were all about. Only a few weeks since this ill-proportioned square hall was hung with Rembrandt, Steen, Ruysdael, Vermeer. The memory is a bit overwhelming. In honor of our own great *précieux*, the walls have now been draped with a crepuscular cheesecloth. It gives a certain distinction to the display, but it is not Copley Hall.

The three great portraits (what need to name them?) are necessarily absent. Everything else is well represented; though one misses such a masterpiece of the early realistic days as Westminster Bridge. For it The Blue Wave, a kind of sublimation of Courbet, is a fair substitute. The portraits are, with the exception of the ethereal and baffling Florence Leyland, which the Brooklyn Museum has lent, conquerors in many previous shows. Here is that strange expression of wistful agility, the violinist Pablo Sarasate, and the fragile aristocracy of the poet Robert de Montesquiou. Here is the melancholy mask of that sorely tried and trying patron, Francis Leyland, the æsthetic ship master. In one corner, aloof, yet conscious of you, the Andalousienne glances over her shoulder; across the hall is poised in complete unconsciousness Rosa Corder, true Diana of Park Lane. Her presence almost compensates for the absence of the Mother and the adorable Miss Alexander. The absolute discretion of Whistler's art is in this portrait of a young gentlewoman. Observing the pallor of the face proudly unconscious in its setting of vibrant browns and grays, Mr. Huneker happily reads into the whole the legend of inaccessibility—*Noli me tangere*.

Beside the smaller portraits, the Japanese manner is exemplified in The Gold-

en Screen, and Lange Leizen, the blues of which are a feast, and The Ocean. Of the nocturnes and similar open-air arrangements, there are five, including the delicious Blue and Silver—Battersea Reach and the notorious Falling Rocket, which cost Ruskin a farthing and several painful quarter-hours. In what, for want of a better name, we may call the English manner are the Music Room and the Little White Girl. Singularly apart stands the big White Girl, and to crown the exhibition there is a fine group of those nudes and semi-nudes in pastel which are rather obviously called the Tanagra series. The Museums, the Freer, Whittemore, Pope, and Johnson, and Canfield collections, among others, have given of their best. So great is the diversity of style that one is reminded of the paradox of the German critic Meier-Graefe, for whom Whistler was a case of multiple personality. But under the evident variety of its components, the show has unity enough. A principle of ultra-refinement, of sensitiveness, and appealing charm runs through the whole. There is a Whistler manner as distinct as the Greuze mannerism. Realist, impressionist, mere prestidigitator—in all rôles, he is prince charming. The conviction grows insensibly, as one notes how many of these pictures lack the more substantial qualities of fine painting, that his art is one of avoidance; negative, not positive. There are certain exquisitely disciplined personalities to whom we yield ourselves unconditionally, only to perceive later, and with a little shock, that they prevail through elimination of the common and wholesome asperities. This thought we may pursue later. What is important is to note that, save for this evasive charm, all Whistler's work has taken on a more usual look. Possibly the miracle of the symphonies and arrangements depended largely upon the background of the Royal Academy, which assuredly was a world to satisfy Huxley—a world in which miracles did not happen.

Whistler's dæmon never served him better than in suggesting London. His native America was plainly out of the question. Paris, the city of Whistler's love, afforded no appropriate stage. Had he grown to maturity alongside Boudin, Manet, Cazin, Fantin, Degas, he would probably have been a better painter. This was his own opinion. But, clearly, he would have been much less of a portent. Even his wit would there have seemed not outrageous, but merely exceptional. In the Parisian drama he could hardly have been a protagonist; London from the first gladly awarded him the part of Apollyon, and trembled while it hated. The result is that we have taken his works as the cartels of a champion. Against the murkiness of the Royal Academy they have glowed like an oriflamme. Seen simply as paintings, they must take on a different

aspect. That, surely, is the reason why just the shade of a chill now accompanies the attempt to renew the old, fond adventure of a soul among symphonies and arrangements.

It will clarify our vision if we go to the galleries of old masters for a moment and there take a glance at a few superlative examples of fine painting. Let us choose Vermeer of Delft, Hals in his portrait of a woman, Renoir's Mme. Charpentier among her children, Manet's Boy with a Sword. Then to the Vanderbilt Gallery, observing on the way a supreme example of charm, Rossetti's Lady Lilith. In the long corridor, for charm and masterly execution combined, let us halt before the best of the Alfred Stevenses. As we pursue the long way back, it will be well to lug in Velasquez—mentally, of course, for the Museum lacks him. Thus we shall have set for the Whistlers the very severest comparisons, and I think that only a fanatic will insist that his art, with all its winsomeness, is not distinctly of a smaller accent, at times of a rather thin preciousness. Let us ask a blunt question? Is there a superlatively fine picture in the room? The present writer is sure only of one—The Little White Girl. Surely, no time will stale the lovely pensiveness of the mood, the dulcet quality of a workmanship everywhere perfectly assured, the keen accord of the various whites. In comparison, the big White Girl is far-fetched and rapidly becoming merely odd. To paint white on white has ceased to be a marvel; in fact, it never was except in a color-blind age. Aside from this, the big White Girl is uncertainly balanced and uncomfortable to look at for long. The Japanese pictures are refined to a degree, subtly harmonized, and present individual passages of the finest color. They are so evidently mere confections—self-confessed stages towards the Little White Girl—that their analysis may be waived. The Music Room, perhaps the most accomplished of the early pictures, keeps one long in doubt. It is the most strenuously complicated of Whistler's interiors. What seems to place it just a little lower than first-class is an eccentric edginess; and some lack of complete unity. The Rosa Corder is so lovely an apparition that I will not argue the technical reasons that make it not quite a great portrait. To a discerning eye the whole of Whistler is in this canvas. Enhance it as by a *tour de force*, and you would get the Mother or Miss Alexander, transfer the manner to landscape and the symphonies and nocturnes logically ensue. The essence of it is an infallible pictorial sense. The focus of that pallid face in its setting of brown and gray is perfect. Where the picture comes a little short of the best is in a too-ready sacrifice of the beauty of definition to that of unity, in a *parti-pris* of tone which makes the artist im-

pose the harmony arbitrarily instead of extorting it from the data. This tendency, barely discernible in the Rosa Corder, becomes pronounced in the nocturnes. There is a thrill in most of them that makes one forget their high degree of artificiality. Cazin's moonlights, in a manner far abler, lack the glamour. Millet has done the thing with equal charm and greater majesty. Whistler invented a most useful decorative formula, which he abused a little himself. His followers have shown how much of a trick it was. His art is so personal and distinguished that European painting hardly suffices to demonstrate its insubstantiality. One may fairly judge a picture like Symphony in Gray and Green: the Ocean, only by comparing it with what it simulates—the color-prints of Japan. Better yet, take landscape painting of the Chinese school. The Eastern product is finer at every point, more spacious, more mysterious, and, above all, more knowing. It gets by direct and exquisite selection from nature what Whistler got by evasion. To a Japanese connoisseur most of his work would seem superficial, and just a bit slovenly. And this means that, while he valiantly shook off the cheap naturalism of Europe, he never underwent the discipline necessary to attain to the mystical naturalism of the Far East. Artistically, he remains a man without a country.

Here he was more or less of a victim. In his etching, his most important achievement, he managed to keep his feet on the ground. Doubtless, he would have done so in his painting also, but for the presence of the "enemies." Of them he was morbidly conscious. He dwarfed himself by resolutely being as unlike the Royal Academy as possible. He moved in an atmosphere of hostility tempered by adulation equally excessive. He fatally lacked the company and the criticism of his peers. The work he did in such unwholesome isolation testifies to the extraordinary natural gift of the man. His quality, however, was not to be great, but to be charming. Possibly, the Tanagra pastels show him quintessentially. The refinement with which these little figures are set within the tinted sheet, the deftness of the spotting, the value of the sparsely applied color, a sensuousness that for being discreetly attenuated is all the more effective—such are the salient qualities of this work. It recalls, as the word Tanagra does, the subtly coquettish flavor of Hellenistic art. There is a hint of Correggio, though not his vigor, and a stronger reminiscence of the pensive charm of Watteau. Not merely in enduing the figure with a peculiarly aristocratic glamour, but, more technically, in adopting the blue tints as harmonizers, the poet-painter of Paris anticipated the poet-painter of Chelsea. By an occasional *tour de force*—a handful of

the Thames etchings, the three great portraits—Whistler imposes upon us. We fail to note how exceptional this work is. The real Whistler is not in the sabre stroke, but in the carress or the equally feline scratch. It was this that made him so readily lean toward Rossetti. In fact, his relation to the early English illustrators and painters has strangely been overlooked. Like them, he inherited much from the mannerly school of the eighteenth century. What is the title etching to the French Set, one of his most engaging groups of figures, really like? Is it not like a superlative Stothard sketch, and even more like a Dicky Doyle? Walter Crane, as a decorator, shows qualities and defects singularly akin to those of Whistler as a painter. These analogies are raised merely to show that, normally, Whistler's place is not with the men of power, but with the men of charm. In painting he must have learned much from Gainsborough and more from Turner, who, in fact, has anticipated more robustly many of the triumphs of the arrangements and symphonies.

Withal, Whistler remains absolutely personal and apart. His art, being one of avoidance, evading certain fundamental requirements of structure, is on the whole a small one, but exquisite, idiomatic, and refreshing. An excess of languor, too great a dependence upon the hypnotic effect of the merely vague, is its defect. It heralded a needed reaction against the color-blindness of the official art of France and England, but, unhappily, it set a generation of secessionists to weaving abstract and rather trivial iridescences. In the doctrine of preciousness of surface, Whistler did both harm and good. To show how really hideous was much that passed for fine painting was a public service. To suggest that manipulated pigments can or should vie with the specific beauties of ceramic enamels or Eastern weavings was to launch a forlorn hope. On this theme of "quality" much nonsense has been put about. Simply as an agreeable colored texture no painting compares with a fine Persian tile. In other words, the painter must atone in other perfections—in a masterly sense of form, in beautiful and complicated arrangements, in spaciousness, in personal interpretation of bare appearances—for the relative meanness of his materials. Whistler met these requirements only about half way, hence falls out of the class of great and well-rounded painters. His tact was sufficient to keep him clear of the more demoralizing implications of his own theories. Naturally, his imitators lacked the subtlety to see that the master frequently took himself in a Pickwickian sense. They lacked, more lamentably, the discipline of sound early studies. Without having done their Thames etchings, they undertook their nocturnes. Where Whistler was limpid,

they made a virtue of deliquescence. In him were the seeds of the best and the worst tendencies in modern painting. Fighting magnificently for the decorative ideal of picture-making—a truly regenerative principle—he also reduced the painter's art to mere epidermal bloom, a dangerous counsel of anarchy. Hence no one can be quite indifferent to him. Is not this according to his strictest definition of success? Nor would one gauge too narrowly his evident limitations. He is so charming that one will generally take him at his own valuation. As time goes on, however, it will become clear that his abode in the Elysian fields is nearer the pleasant garden-houses of Watteau and Fragonard than the imposing mansions of Turner and Velasquez. F. J. M.

The Bruno-Hessling Company (New York) announces the publication of "The Château of Haar," by B. J. H. Cuypers, with illustrations showing the recent restoration of the château; "Applied Bronze Work in the Style of Louis XVI," by E. and W. Hessling, a collection of documents and photographs after the original pieces in the Musée des Arts Décoratifs of Paris, illustrating furniture mounts, trimmings, and various decorative motifs for plastic and metal work; "Stil-lehre," by O. Haebler, studies of styles for colored surface decoration, including textiles, wall-paper, etc.; "The Castle of Bruck-saler," by Fritz Hirsch, showing examples of the Louis XV style in Europe, and "The Architectural forms of the Classic Ages," by Constantine Uhde, formerly professor at the Technical High School of Braunschweig.

The paintings, tapestries, and rugs collected by the late Charles T. Yerkes were sold at auction last week at Mendelssohn Hall, in this city, the entire lot bringing \$2,034,450. The general character of the collection and the doubtfulness of some of the attributions—such as Holbein, Dürer, Memling, David, Murillo, Botticelli, and Verrocchio—were referred to in the *Nation* of March 31. But the general average was high, and some of the questionable pictures had much intrinsic merit. The more important of the canvases and other articles were sold at the following figures:

APRIL 5.

Alma Tadema, Spring	\$22,600
Josef Israel, Frugal Meal	19,500
Ludwig Knaus, Country Festival	10,500
Bouguereau, Invading Cupid's Realm	10,000
George Inness, Sunset Landscape	8,400
Detaille, The Retreat	6,200
Escort of the Emperor	6,000
Cazin, Artist's Studio	5,400
Meissonier, The Reconnaissance	5,300
Monticelli, Diana and Nymphs	5,200
Joseph Bail, Servants Lunching	5,100
Clays, Calm on Scheldt	5,000
Vibert, Sacrilegious Monkey	4,500
Gérôme, Pygmalion and Galatea	4,000
Burne-Jones, Princess Led to Dragon	2,950
Princess Chained	2,000
Alfred Stevens, Lady with Cherries	700

APRIL 6.

Corot, The Fisherman	80,500
Morning, companion picture to The Fisherman	52,100
Environ's Ville d'Array	20,100
Path to Village	6,800
The Old Church	4,800
Daubigny, Banks of Oise	15,500
On River Oise	15,500
Landscape at Seashore	5,300
Diaz, Gathering Pagots	30,000
Gorge in the Forest	5,600
Curd Disarmed	3,100
Dupré, At Sea	6,300
Landscape by River	5,100
Stag in the Forest	5,100

Sunrise	5,000
Millet, The Pig-Killers	44,100
Rousseau, Landscape on River Berry	26,100
Valley of Tiffange	10,000
Constant Troyon, Going to Market	60,500
Greuze, Reverie	22,000
Boucher, Toilet of Venus	25,500
Turner, Rockets and Blue Lights	129,000
A Dream of Venice	60,000
St. Michael's Mount	8,500
Italian Landscape	8,300
Sir Joshua Reynolds, Portrait of Lady O'Brien	20,200
Romney, portrait of Mrs. Ralph Willett	6,100
Harlow, Portrait of Boy	3,600

APRIL 7.

Brueghel, Thief steals from thief; Fill well after calf is drowned; Bacon too good for your mouth, and As full as an egg	\$2,300
Claude Cornille, François, Duc de Bretagne	5,000
Attributed to Raphael, Holy Family and sparrow	6,200
Metsu, The Letter	17,100
Attributed to Dürer, Portrait of Hans Gunder	5,000
De Keyser, Portrait of Gentlemen	1,900
Rembrandt, Portrait of a Rabbi	51,400
Portrait of Joris de Coulerly	34,500
Philemon and Baucis	32,000
Resurrection of Lazarus	11,100
Frans Hals, Portrait of a Woman	137,000
The Singers	33,500
The Violin Player and the Singing Girl	32,200
Hobbema, Old Mill	3,900
View in Westphalia	48,000
The Ford	10,000
Peter de Hooch—Interior	11,800
Music Party	7,400
The Glass of Lemonade	10,300
Jan Both, Sunset	900
Bronzino, Portrait of Lady	2,000
Jan Steen, False Players	6,100
The Siesta	16,500
Christ Driving Traders from Temple	3,500
Boors Merry-making	3,300
Vandyke, Wolfgang, Duke of Neubourg	2,500
Rubens, Ixion and Hera	20,500
Two Apostles	4,200

APRIL 8.

Paul Potter, Landscape with cattle and figures	\$13,500
Landscape and Cattle	10,600
Dancing in the Barn	24,000
Solario, Annunciation	11,300

The Yerkes antique Oriental rugs and carpets and the tapestries were sold Friday afternoon. The former brought \$281,950; the tapestries \$56,950. Here are some of the highest prices paid:

Silk carpet from Ardebil Mosque	\$35,500
Great Mosque carpet of Ardebil	27,000
Persian state carpet, sixteenth century	33,000
Bagdad carpet, sixteenth century	19,000
Persian carpet, sixteenth century	16,000
Persian carpet from Ardebil Mosque	15,200
Polish carpet, sixteenth century	12,300
Perso-Aram tomb carpet	10,200

The Gobelin tapestries, Vulcan and Venus, and The Rape of Europa, belonging to a set of four, brought \$17,700 and \$12,300, respectively.

In the *London Times* of March 26, A. Ashby of the British School in Rome gives an interesting summary of recent archaeological research in Italy. In the Roman Forum the work is still going on slowly. The excavation of the Basilica Æmilia is continued; the prehistoric necropolis has been almost entirely filled in, and the Republican house near the Arch of Titus has been completely cleared. On the Palatine researches are carried on under the foundations of the eastern portion of the house of Livia. In the course of building operations within and without the city walls of Rome various finds of interest have been made, such as the discovery in the Villa Patrizi of the fragments of the base of a white marble candelabrum decorated with small niches containing statuettes; of a fine portrait bust of the first century A. D. outside the Porta Portese; and of several fragments of sculptures which adorned a peristyle found within the area of the Gardens of Sallust. On the site of the former Villa Spithoever, a fine stretch of the wall which enclosed the city of Rome in the fifth (?) century B. C., has recently been fully exposed to view. It is built of slabs of gray-green tufa, about ten inches in

height and twenty inches in length and width, and is certainly earlier than the so-called Servian wall. Explorations in some of the churches of Rome have led to important results: under the church of SS. Giovanni e Paolo on the Caelian Hill a painting, representing a mythological scene in a harbor, was found in a nymphaeum. Under S. Crisogono remains of the house of the saint were found, and considerable portions of the earlier church, which was built into it. The excavations at Ostia, the ancient port of Rome, are being continued. A considerable portion of the city has been examined; a street leading to the theatre, with a portico on its west side, has been cleared; of the objects discovered the most important is a fine statue of a lady of the Imperial house, with the attributes of Ceres, probably dating from the reign of Hadrian. On the property of the King of Italy near by was discovered one of the three public baths which Pliny the Younger mentions as existing. North of Rome, at Ferento, near Viterbo, ancient baths and the interior of the theatre have been cleared; in the former a number of Roman inscriptions came to light. Pre-Roman tombs were discovered at Terni, Pavia, Este, near Padua, and at Belmonte and Fermo, in Picenum. Excavations carried on near Teano, on the property of Baron Zarone, brought to light the remains of important Roman thermæ, situated close to some mineral springs. At Pompeii a certain amount of work has been done, including the excavation of a pre-Roman necropolis, and much attention has been devoted to the restoration and preservation of the houses discovered in 1902-5.

Louis Lemaire, the French painter of landscapes and flowers, died recently in Paris, at the age of eighty-six. His pictures were frequently exhibited in the Salon.

William McTaggart, the Scotch landscape painter, died recently at his home in Mid Lothian, at the age of sixty-five. One of his highland scenes, *The Storm*, was bought by Andrew Carnegie twelve years ago for £1,000, and there are examples of his work in the Royal Glasgow Institute of Fine Arts, and in the Royal Scottish Academy, of which he became a member in 1859, while in 1870 he was elected an Academician.

Finance.

GOLD EXPORTS AND MONEY MARKETS.

Export of \$7,500,000 gold from New York to London last week is not on its face at all an unnatural operation. During the first two months of the present year this country had imported \$48,000,000 more foreign goods than in the same months of 1909, and had exported \$12,000,000 less. In February, imports had actually run beyond exports—the first occasion in seventeen years when this had occurred at such a time of year. There have been occasions when a trade position of this sort has been offset, in a natural way, by import of foreign capital for use in our money markets, or by

European purchase of American securities. Some considerable sales of our new issues of stocks and bonds have, in fact, been made to Europe during the present season—notably part of the New York city loan—and this export of securities undoubtedly served in a measure to balance the merchandise trade account. But of the usually much more important flow of European capital into our ordinary market loans, there has been virtually none. There was little inducement for it, when our own Wall Street money rate was well below the short or long-time rates on Lombard Street.

It is not only true; indeed, that England has lately been increasing her exports of merchandise to us because of the abnormal American demand, and decreasing her imports because of our cotton shortage and our exorbitant price of wheat. For use of the world's capital, also, London has been of late the predominant bidder, and it is this which has found indirect expression in the flow of gold to England, both from New York and from portions of the Continent. This English demand for money has an exceedingly interesting double cause—the wild speculation in a mass of new-fangled rubber and oil company shares on the London Stock Exchange, and the absence, at the Bank of England, of a reserve such as markets would prefer to see in the face of such speculative unsettlement. Last week's report of that institution, indeed, shows the lowest ratio of reserve to liabilities of any corresponding week in eleven years. It is not at all surprising, therefore, that the London bank rate should already have been advanced last month, and that a further rise should be looked for in the near future.

The excited speculation now in progress on London's Stock Exchange has an indirect, rather than a direct, bearing upon this situation. Undoubtedly, the rapid enhancement of values for that market's newly-issued rubber-company shares increases whatever strain already exists on capital supplies; and when, in response to the public's speculative appetite, \$8,000,000 of such shares have been floated in a single week—with some of such issues, according to current London dispatches, rising at once to a premium of 300 per cent. over the subscription price—the credit market could hardly fail to be influenced.

But it is not the "rubber boom" alone which the markets have to keep in mind. Applications for new capital from all sources—governments, cities, railways, and corporations—reached on the English money market, during the past three months, a total not matched in any previous quarter of that market's history. The £99,300,000 new securities thus placed in London, up to the close of March, run far beyond the highest quarterly record either of the Boer War

period or of the era of excited Argentine promotion prior to 1890. Nor does the London market have only the new English borrowings to consider, or even the heavy applications of foreign governments. It knows that the American market for new security issues has for some time past been looking to London for the capital which, on account of the magnitude of those issues, has become considerably less easy to obtain at home.

The converging of this pressure, in so unusually aggressive shape, upon the London market is a particularly interesting fact, because London, as the world's central market for credit and capital, reflects conditions throughout the world. The rather obvious inference, from a situation of the sort, is that the world at large has lately been going ahead too fast in exploiting capital. It is answered that the world-wide rise in prices of commodities has of itself served to swell these requisitions as compared with former periods, because larger sums of money than a decade or so ago are required to-day to purchase the same materials. Even battleships cannot be built by governments on any such terms as would have sufficed ten years ago. But granting this factor in the situation, it should be apparent that it merely explains but does not remove the difficulty.

Furthermore, there is pretty good ground for arguing that higher prices are only a partial cause for the larger demands on capital. The fact that battleships to-day cost more than in 1900 certainly has not inspired in governments a determination to be circumspect in their plans for such expenditure. On the contrary, the programme of the day, in almost every important state, is for the building of more warships than ever before and larger warships than ever before. It is difficult to doubt that a more or less similar tendency has been running through the plans of other branches of finance and industry. Merchants, manufacturers, and railway companies not only are paying higher prices for their materials, but are making and carrying largely increased amounts. What the situation in the world's markets for capital must

Financial.

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