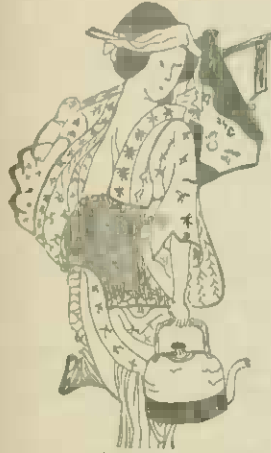


MISCELLANEOUS.

Written for this Paper.
SILVER IN CHINA.

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HANKOW, China, April 3, 1894.



THE silver question is a far more important matter out here in Asia than it has ever been in America. The Japanese are trying to uphold their end of the financial question by raising their prices, but the five hundred

odd millions of Chinese do their business in copper cash on a silver basis, and the cost of their imports are now just double what they were a few years ago. I cashed \$50 in gold the other day and received \$100 in silver for it, and American dollars are now quoted in China at 212. The imports have to be bought with gold and sold for silver, and the prices must, of course, be doubled for the merchants to come out even. The prices of labor and of Chinese products have not risen, and the thousands and millions of Chinese farmers who are now coming to the cities to buy their supplies of cottons and other foreign things are charged double prices. They cannot understand it, and they won't pay them. They think they are being cheated and they won't buy at all. They simply says they can't afford the goods, and they go back home and cut up their old gowns into pants for the little girls and petticoats for the boys. The result will be a great falling off in China's imports from Europe and America, and it will act as a protective tariff to stimulate home production. There are now on foot a number of schemes for the manufacturing of foreign goods in China, and some of the Chinese capitalists themselves are seriously considering how they can take advantage of the present situation in the building of factories. The empire now has a foreign trade of something like \$300,000,000 a year. Heretofore more than half of this has consisted of imports. The goods have been shipped into the open ports of the country and from thence carried in junks, on camels, on wheelbarrows and in Chinese carts all over the empire. Far beyond the Chinese wall, on the borders of Tibet and in the wilds of Mongolia you find strange people wearing English and American cottons, and many of the huts of the Tibetans in the Himalaya mountains are roofed with tin pounded out of American coal-oil cans. I see our coal-oil carted on wheelbarrows through the streets of these interior Chinese cities, and there is a great oil reservoir at Shanghai, where the petroleum is stored awaiting its shipment into the interior.

We have been sending in the neighborhood of forty million gallons of coal oil to China every year for some time, and many a Chinese home along the Yangtse Kiang is lighted with the fluid that flows from the pipes of the Pennsylvania wells.

China contains between four and five hundred millions of people. With its tributary provinces it is said to have the enormous population of 537,000,000. Since the beginning of our government we have coined all told about 461,000,000 silver dollars, not including the dimes, halves and quarters, and if the whole could be gathered together and carried to China there would not be enough to give a dollar to each of its inhabitants. China is generally supposed to be very poor. I believe, on the contrary, that it is a rich country, and it must require a vast amount to do its business. It is true there are many millions of poor, but there are also millions of well-to-do and millions of comparatively rich. There are few countries where jewelry is more commonly worn, and where the clothes of the better classes are most costly. I have seen since I came here thousands of ordinary citizens dressed in long gowns of brocaded silk lined with furs, and nearly every other woman you see outside of the laboring women wears a silk coat and silk pantaloons, while her little, pinched toes are covered with silk, silver or gold embroidered shoes. She has silver or gold ornaments in her hair and her silk headress is often decorated with rows of pearls. Both sexes wear gold rings, and a well-to-do Chinaman expects to fit out his daughters with gold ornaments on the occasion of their marriage. They look upon the change in the prices of money as a rise in gold rather than a fall in silver, and I hear everywhere the question, "Why for makee gold so dear?" They realize the change when the have a daughter whom they want to marry off, and the rise is, in fact, so surprising to many of the people that they are selling their gold ornaments. They are bringing out the gold bricks they have hoarded and the country is being drained of its gold.

The Chinese are a great business people. Their cities are beehives of work, and they require a great deal of money to do their trading. The city of Canton absorbs about three millions of silver dollars a year. It takes millions to do the business of Shanghai and Tientsin, and there are scattered over this land thousands of native banks who do a regular banking business and some of which issues notes. There are 400 native banks in Peking, 300 in Tientsin and hundreds in Shanghai, Foo Chow, Ningpo, Hankow and Canton. All of the big cities have their stock exchanges and in these the brokers meet daily and buy and sell like our bulls and bears do in Wall street. I saw a thousand such brokers pulling, hauling and scratching at each other in the stock exchange in Peking, and I am told that many of them have recently lost great sums in betting on silver. The Taotai or Chinese mayor of Shanghai has lost, it is said, \$600,000 within the last three months in

buying silver, and he has, in fact, speculated himself out of office and his place will shortly be filled with a new appointee. In all of the treaty ports, the foreign as well as the native, business is really done by the Chinese. All of the foreign firms have Chinese cashiers, and these men make all of the calculations and handle all the money. When you go into a bank the English clerk will call a Chinaman to figure out your exchange for him and it will be the Chinaman who will pay you your money. If you make a deposit or pay a bill it is a Chinaman who handles every silver dollar, testing it carefully by ringing it before he accepts it, and estimating the amount and the rate of exchange with one of these boxes of balls strung on wires, which form the slates and pencils of the celestials. It is wonderful how fast these men can figure in this way. They push the balls this way and that with their aristocratic, long finger-nailed yellow hands, and in less time than you could put down the figures they give you the result. They are always sure of themselves, and if they make a mistake the firm by whom they are employed expects them to make it good. They are under heavy bonds, often running up into the hundreds of thousands of dollars, and there are few defaulting Chinese cashiers. These "compradors" and "shroffs," as they are called, keep track of the Chinese market for the foreign firms. They have cashiers' or bankers' meetings, as it were, every day among themselves and report later on to their masters. They know all about the standing of different Chinese banks and firms. In speaking of them they divide them into four classes. If they say a bank is a number one bank, it is sure to be as good as the gold. If they call it number two, it is fair. If number three, its reputation is cloudy, and if four, you had better let it alone.

Chinese bank notes are more like promissory notes than our bank notes. There is not and never has been a national bank, and notes are not used as currency to any extent. The banker merely writes the amount on the note and puts his private seal or chop over it. Such notes are made out for all sums from five to twenty thousand taels, and the Chinese banker never goes back on his signature. He pays the notes when they are presented in silver or gold. The silver is usually paid according to weight, in lumps the shape of a toy bath tub, ranging in value all the way from a dollar up to fifty dollars. The usual size is worth about fifty dollars, and it weighs about five pounds. The gold is made in long, thin cakes, and is twenty carats fine. The banker stamps with his private seal every piece of silver he pays out, and even the Mexican dollars are marked thus with India ink. Every big bank or company has a man who takes all of the silver dollars that come in and fits them into holes made in a board, so that when they lie in them their surface is just level with the board. He then takes a brush and water and washes them as white and clean as though they had just come from the mint. He now stamps his chop on each of them, and this means that he guarantees their payment. Any one who has been in China will see the necessity for this. There are no shrewder counterfeiters in the world than the Chinese,