THE NEW YORK HERALD.

WHOLE NO. 7702. MORNING EDITION—SATURDAY, OCTOBER 3, 1857. PRICE TWO CENTS.

ARRIVAL OF THE ARABIA.

THREE DAYS LATER FROM EUROPE.

IMPORTANT NEWS FROM INDIA.

Reported Risings in the Bombay Presidency.

CHOLERA IN THE BRITISH ARMY.

SEVERE ENGAGEMENTS WITH THE REBELS.

THE ATLANTIC TELEGRAPH.

NEWS FROM CHINA.

NEWS FROM AUSTRALIA.

Arrival of Over $3,000,000 in Gold in England.

ADVANCE IN COTTON.

The Money Crisis in Europe and America.

CONSOLS 90 1-4 a 90 3-8, &c., &c., &c.

The Cunard steamship Arabia, Captain Stone, which left Liverpool at ten o'clock on the morning of Saturday, 19th of September, arrived at her dock at eight o'clock yesterday morning.

The news is three days later than that brought by the Jura from Cork, to St. John, N. B., and our European files are seven days later.

The Arabia arrived out at Liverpool at 3 A. M on the 18th ult, and the City of Washington arrived at the same port at midnight on the 16th ult.

The North Star and the Jason arrived at Southampton on the 17th ult.

The money panic and financial crisis in New York called editorial comment from the London *Times*, *News*, and other journals.

A serious panic had occurred in the Vienna money market, owing to some restrictions in bank accommodations, and prices of all kinds of stocks largely declined. New financial measures of the Austrian government were spoken of.

There had been a panic on the Paris Bourse.

There had been three arrivals in England with gold from Australia, namely:—

By mail steamer	$1,750 000
By Norfolk	1,500 000
By Summer Cloud	150 000
Total in one week	$3,400 000

The Bank of England had declared a dividend of 5½ per cent for the half year.

In England the papers are filled exclusively with the details of the news from India.

As already reported, Delhi remained in the hands of the insurgents on the 29th of July.

More mutinies are reported, including one in the Bombay Presidency. The latter included only a portion of one regiment, and had been suppressed.

After occupying Cawnpore, General Havelock gained several other brilliant successes over Nena Sahib's forces, but although he had almost reached Lucknow he had to return to Cawnpore on account of sickness amongst his men.

We are informed that the English government does not intend, for the present, to form a foreign legion.

The *Moniteur* publishes a disclaimer of the report circulated in Paris that a French legion in the pay of England was about to be sent out to India, but it is so obscurely worded that the people are left as much in the dark as ever on the subject. Large subscriptions are being made in Paris for the sufferers by the Indian mutiny.

From China the dates are Hong Kong July 25 and Shanghae 15th of same month. At the former place exchange was quoted at 4s. 11½d, and at the latter 7s. 1d. The despatch contains no other news.

A private despatch reports silk again higher at Hong Kong.

The last accounts received in Paris from China, by way of Kiachta, present a deplorable picture of the state of the capital and of the southern provinces of the empire. Trade was almost completely annihilated, and the distress among the population increasing in an alarming manner. The government had issued iron money to pay the public servants and for the purchase of corn, but it requires the taxes to be paid in silver.

Late despatches from Madrid say that the Narvaez Cabinet had tendered their resignation, but the Queen refused to accept it.

A despatch from Madrid to the London *Post* says that General Concha will continue to hold the governorship of Cuba.

A Paris letter to the same journal says that the question between Spain and Mexico was going on most favorably, so far as it can be arranged in Paris. The acceptance by Mexico of the mediation was not, however, known.

Our European advices are confined mainly to vague speculations upon the result of the approaching imperial conference at Stuigardt, between the Czar and the Emperor Napoleon.

The Emperor of Austria was expected shortly to return the visit of the King of Prussia.

The Evangelical Alliance commenced its sittings at Berlin on the 9th of September. Mr. Wright, the American Ambassador, addressed the meeting in an eloquent speech. Bishop Simpson spoke briefly in the name of the Methodists of America, and Rev. Dr. Baird read an address from the Protestant Christians of America to the Conference, which, he stated, had received the signatures of the most distinguished Protestant Christians in the United States, and had also been adopted by several religious bodies, such as the Synod of the Associate Reformed Church, the General Assembly of the New School Presbyterian Church, and also had received the signatures of many prominent members of the Old School Presbyterian Church, the Associate Church, the Reformed Dutch Church, the Southern Church, the Baptist, Methodist, Episcopal, Moravian and other churches. Able addresses were delivered by Dr. Jacobi and the celebrated Dr. Merle d'Aubigne, of Geneva, so well known by his history of the Reformation in the sixteenth century. The Convention, amounting to about 900 members, paid a visit to Potsdam, where they were hospitably received and entertained by the King and royal family. His Majesty made a brief but appropriate speech upon the occasion. There were present at the Conference between thirty and forty clergymen from the United States.

The *Constitutionnel*, one of the semi-official organs of the French government, publishes, in its issue of September 18, another philippic against the institutions of the United States, and principally against slavery which, according to the writer, is an anti-social institution, condemned to disappear from the world, and particularly from the United States, where its existence contrasts so odiously with the state of a country whose citizens claim for themselves liberty without control or restraint.

The attempt to lay the submarine telegraph from Sardinia to the coast of Africa had proved a failure—the cable having broken in forty fathoms of water, when the expedition was within two miles of the shore and the completion of the task. It was expected that the lost end would be recovered and the line finished in a week or two.

From Sardinia we hear that a flood had occurred in the Valle d'Oasta, entailing a loss of about fifty lives and a large number of houses.

M. Von der Heydt, the Prussian Minister of Commerce, had resigned, and it was rumored that the Minister of Finance had likewise tendered his resignation.

In Denmark the session of the Holstein Diet was closed on the 12th ultimo, with a speech by the Royal Commissioner, in which regret was expressed that the advances made by the government had been ineffective.

At Rome the statue in honor of the Immaculate Conception was inaugurated with much pomp by the Pope, on the 8th September.

The London *Post* says that there is no prospect of a resumption of diplomatic relations between Naples and the Western Powers, the Neapolitan government having failed to comply with any of the demands made upon it.

News from Moldavia represents that so far as the new elections had proceeded, they were favorable to the union of the Turkish Principalities, although the last three days of the election were far from being as favorable as the commencement.

The great Doncaster St. Leger race, in England, was won by Imperieuse; the two favorites, Blink Bonny and Ignoramus, coming in fourth and fifth.

The United States sloop-of-war Plymouth, commander Dahlgren, arrived at Southampton from the Texel on the 16th ult., and was expected to remain in port about a fortnight, and then return to the United States.

In Ireland the town of Belfast had, on account of the recent religious riots, been "proclaimed under the most stringent provisions of the crime and outrage law." A large constabulary force had been ordered there, and the inhabitants had been called upon to deliver up the arms and ammunition in their possession.

The Marquis of Lansdowne had declined a dukedom which was tendered him.

The American yacht Charter Oak, which recently arrived at Liverpool from New York, had been disposed of by lottery. There were two hundred members, at one pound each.

Queen Victoria had created Admiral Keppel a Knight, and Commodore Elliott a Companion of the Bath, for their exploits at Canton.

Our Berlin Correspondence.

BERLIN, Sept. 13, 1857.

Meeting of the Evangelical Alliance at Berlin—Speech of Governor Wright, United States Minister—Address read by the Rev. Dr. Baird from the Protestant Christians of the United States—Reception of the Members of the Conference at Potsdam by the King, &c., &c.

I purpose to give the readers of the NEW YORK HERALD, in this communication and the following one, some notices of a most extraordinary meeting now holding in this good city of Berlin, certainly one of the most remarkable religious meetings of this age. It is the fourth of the assemblies of the sort which have been held within eleven years. The first was held in London in 1846. It was attended by a large number of Protestant clergymen from all parts of the British Isles and a considerable number from foreign lands, including some fifty or sixty from the United States. The second was held in London in 1851, and was also very largely attended, there being some 200 and repesenta ives more from the Continent, the United States and other countries. The third was held at Paris in 1855, and was also very well attended; but probably not more than two hundred persons were present from foreign lands. And now the fourth is holding in Berlin, the centre of the Gothic or Teutonic race of the Old World—that race which has so wonderfully affected the character of Western Europe, has laid broad and deep the founda ions of its dominion in America, is planting itself and its institutions in Australia, and bids fair to overrun a very large portion of the globe. And at this meeting there are at least two hundred and fifty gentlemen from Great Britain and Ireland, between thirty and forty from the United States, and some from France, Italy, Switzerland, Belgium, Holland, Denmark, Norway, Sweden, Russia, the Austrian empire, as well as many from Germany. The number cannot be less than one thousand in all. I speak of ministers of the gospel and religious laymen—all holding essentially what is called the evangelical system of doctrines.

But it may be asked, what is the object of this large meeting of Protestant ministers and laymen? I will tell you—it is, in a word, to endeavor to resuscitate what is true Protestantism—in other words, true religion, especially in the various countries of Europe, where (particularly in Germany and the circumjacent countries) there has been a great deal of indifferentism, rationalism and infidelity.

So much was his Majesty the King of Prussia pleased with what he had heard of the meeting in Paris two years ago, that he could scarcely be dissuaded from the idea of having a similar meeting in Berlin last year. He was told that it would be too soon after the last one; that it required time to prepare for such a meeting; that it would cost a considerable sum of money, and that it would be a long journey to those who should come from foreign lands. The King gave way, but insisted that the meeting must be held this year; and you know that the wishes of a king must be complied with; at least this is very much the opinion of pretty much all the world, excepting the Swiss and the Americans. Well, the meeting commenced last Wednesday, when from five till seven in the afternoon there came together quite a large number of those who took an interest in such matters. Several hundreds attended that meeting, which was mainly for reading the Scriptures, singing and prayer. The services were in German, French and English. The Rev. Mr. Kuntzel, of Germany, the Rev. Mr Finch of Paris, and the Rev. Mr. Noel of London, conducted them to the great satisfaction of every one. They took place in what is called the "Garrison Church," which is a sort of royal church, which his Majesty the King has placed at the disposal of the Conference.

On Thursday, at ten o'clock, the regular business of the Conference was entered upon in a formal manner, under the general supervision of the Rev. Dr. Kuntzel, one of the Evangelical pastors of Berlin. After the reading and exposition of a portion of the Holy Scriptures, the Rev. Dr. Krummacher, the author of several excellent books of a religious character, all of them well known in our country, delivered an admirable address in behalf of the Evangelical Alliance and its objects, in which he answered many of the objections which have been brought against this great movement from various quarters. It was a most able discourse, and will be published, as will every, if not all, the other addresses which the occasion will bring forth. At the close of his speech he gave a most hearty welcome to the foreigners and, indeed, to all who had come up to the meeting.

The Americans were the first to be called for. Three of their number responded for them. The Hon. Mr. Wright, the newly arrived ambassador at the court of Berlin, spoke in the quality of an American citizen, and not as an ambassador. His short address, not exceeding ten minutes, gave great satisfaction; for it was an extraordinary thing to hear an ambassador speak in this way—for Wright speaks like a real Christian Hoosier. A distinguished Frenchman, who is himself a fine speaker, told me that he was delighted with the natural, ready and earnest manner in which Wright spoke on the occasion. Bishop Simpson, of the Methodist Episcopal church, followed with a short and very proper speech, which was well received. The Rev. Dr. Baird next addressed the meeting, and laid before it the following "Address from American Christians to the Evangelical Alliance Conference, to be held at Berlin in september, 1857," which I am permitted to send you:—

We, the undersigned, ministers of the gospel and laymen of various evangelical Protestant churches in the United States of America, having heard, with great satisfaction that a conference, composed of evangelical Protestant Christians of Germany and other countries, is to be held in Berlin, in the course of great autumn under the auspices and in complete accordance with the wishes of his Majesty the King of Prussia; and being deeply convinced that true believers throughout Christendom should, as much as in them lies, cultivate brotherly relations with each other, and so be helpers of each other in faith and good works, would avail ourselves of this occasion to express our sincere regard for and heartfelt sympathy with all those brethren in Germany, and all other countries of the continent, who are striving for the defence of the "truth as it is in Jesus," and laboring for the spread of the gospel of our Lord Jesus Christ.

We, the undersigned, as do the ecclesiastical bodies to which we belong, hold, with entire unanimity, the nine doctrinal propositions which were adopted by the great Evangelical Alliance Conference, held in London, in August, 1846, and believe them to be of vital importance, viz:—

1. The Divine inspiration, authority, and sufficiency of the Holy Scriptures.
2. The right and duty of private judgment in the interpretation of the Holy Scriptures.
3. The unity of the Godhead, and the trinity of persons therein.
4. The utter depravity of human nature, in consequence of the fall.
5. The incarnation of the Son of God, His work of atonement for sinners of mankind, and His mediatorial intercession and reign.
6. The justification of the sinner by faith alone.
7. The work of the Holy Spirit in the conversion and sanctification of the sinner.
8. The immortality of the soul, the resurrection of the body, the judgment of the world by our Lord Jesus Christ, with the eternal blessedness of the righteous, and the eternal punishment of the wicked.
9. The Divine institution of the Christian ministry, and the obligation of the ordinances of baptism and the Lord's Supper.

On these great and fundamental doctrines of the Christian faith we think alike, whatever differences of opinion there may be among us on other questions, whether of a theological or ecclesiastical nature, and we rejoice to learn that there is a growing appreciation of them in Germany and other portions of the Continent. We are sure that their maintenance is essential to true Protestantism, the Protestantism of Luther, of Melancthon, of Zuingle, of Calvin, of Knox, of Cranmer, and of the other glorious reformers of the sixteen h century. Central in this series of articles stands "the doctrine of Justification by Faith," the maintenance or abandonment of which characterized as the great reformer of Germany has so well said, "a standing or falling church." ("Articulus stantis vel cadentis ecclesiæ.") And we earnestly pray that the time may soon arrive when these doctrines which were doctrines of Christ and the Apostles, shall be universally held in all parts of Christendom, and diffused over all the earth.

It is not probable that many of the subscribers will find it either convenient or practicable to attend the proposed conference, which is to be held at a place so distant from us; but we beg leave to assure our brethern in Germany, and in Europe entire, that in this noble effort in behalf of Christian union and cooperation, they have our warmest sympathy and our earnest prayers. May it be a glorious meeting, through the presence of the great Head of the Church, even of Him who is "King in Zion," who is "over all, God, blessed forever." May it contribute greatly to the reunionism and diffusion of the faith that saves, to the universal reign of our blessed Lord and Saviour Jesus Christ in the hearts of men. We live, dear brethren, in eventful days. The enemies of Christianity under the garb of Romanism, Formalism, Sectarianism, Indifferentism, and Infidelity, are numerous, and their hatred of the truth is avowed and gloried in. The battles of true Christianity must be fought in every land. But we will not fear. "For they that be with us are more than they that be with them." (2 Kings, 6. 16) and victory is certain.

UNITED STATES OF AMERICA, May 11th, 1857.

Dr. BAIRD stated that this document had received the signatures of many hundreds of the most distinguished Protestant Christians in the United States, both of the church and state. It had also been adopted by several religious bodies, such as the Synod of the Associate Reformed church, the General Assembly of the New School Presbyterian church, as well as signed by many prominent men of the Old School Presbyterian church, the Associate church, the Reformed Dutch church, the Lutheran church, the Baptist, Methodist, Episcopal, Moravian and other Protestant churches. Some instances were given as specimens of the character of the standing of those who had signed the "Address," &c., refer red to. He said that it had received the signatures of the Bishops of Virginia, Kentucky, Ohio, Maine and Massachusetts, (of the Episcopal church,) of such professors in theological schools as Drs. Hodge, Greene, Ludlow, Campbell, Breckinridge, Humphrey, Robinson, Thornhill, Smith, Hitchcock, Park, Stowe, Schumaker, and of such ministers as the Rev. Drs. De Witt, Spring, Tyng, Boardman, Barnes, Sprague, Uniman, Campbell, Blagden, Stowe, Bangs, Somers, Tate and others, of all parts of the country, and of all Evangelical Protestant denominations. He stated, too, that it had been subscribed by many Judges, (among them one of the Judges of the Supreme Court of the United States,) commoners, members of Congress and Legislatures of our States, distinguished lawyers, as well as statesmen and merchants.

This statement of Dr. Baird was received with evident satisfaction by the audience. It was followed by addresses from English and other foreign representatives.

In the afternoon two very able discourses were read by Dr. Jacobi, of Halle, and the celebrated Dr. Merle d'Aubigné, of Geneva, so well known for his "History of the Reformation in the Sixteenth Century."

The next day several addresses were delivered by distinguished German theologians; but the most remarkable feature of that day's proceedings was a visit of the Conference, *en masse*, to Potsdam—some eighteen miles distant—to which place they were invited by the King, who put several trains on the railway which unites that famous old city to Berlin, at the terminus.

At 3 o'clock P. M. about nine hundred gentlemen and a considerable number of ladies were assembled at the station, which is just outside of what is called the "Potsdam gate;" and after a pleasant journey of an hour, they found themselves at Potsdam, and in half an hour more they were all busily engaged in the "New Palace," in partaking of the fruits and other refreshments which his Majesty had prepared for them. This repast being ended, they were arranged according to nations in front of the palace, and soon the King and Queen appeared—the former attended by an Adjutant or two, and the latter by three ladies of honor—all dressed very much as any well bred ladies with us would be dressed for making a morning call.

After having received the members of the Committee of Arrangements, the King began with the upper end of the line, where the Americans were standing—some thirty-five in number. Mr Wright, the ambassador, made him a very brief and appropriate address, and then presented to his Majesty several of the more distinguished of his countrymen—such as Dr. Dwight, of Constantinople; Dr. King, of Athens; Bishop Simpson, Dr. McClintock, Dr. Patton, and then presented all the others in a general way. Dr. Baird presented the same gentlemen to the Queen, who approached that end of the line just as the King was passing on to the English, who stood next. After having received an address from one of their number, and allowed a considerable number to be presented to him, his Majesty moved along the rest of the line, where the French, Swiss, Italians, Belgians, Dutch, Danes, Swedes, Norwegians, Hungarians and Germans were standing. The last named were last in the order.

It took an hour, or nearly so, to go through all this; and it really was a spectacle well worth seeing. Their Majesties were received with a hearty "God bless the King," "God bless the Queen," and as they were retiring, with a good old fashioned English hurza. The Germans added some of their noble old songs, which they sung as nobody but Germans know how to sing on such occasions.

It was nine o'clock at night when we got back to Berlin after this delightful excursion, one full of novelty especially to those who had never seen a king or queen, or having seen them, it may be, had not had an opportunity to speak with them.

And here I must break off this narrative. In my next letter I will give you an account of the subsequent proceedings of this very interesting assembly of Protestants, among whom there are many very eminent men.

THE MONEY CRISIS.

The Failures in New York.

[From the London Chronicle (City Article) Sept 16]

Another of those fearful interruptions to the confidence of the American public and their institutions has taken place, resulting in a fearful fall in the value of the public securities of some 20 to 50 and in some instances even 50 per cent. An undue inflation of speculation and a system of forced prosperity, with its accompanying venality, is recorded in the accounts lately to hand. Bank and insurance companies, and some private failures, are mentioned, causing a crash in the value of shares to the extent mentioned. It is satisfactory, however, to be able to state that the mercantile interest has been unaffected, beyond having necessarily to pay much higher rates of discount, the current charge for even the very best bills being from 12 to 15 per cent up to 20 and 25 for other classes.

American Railway Expansion and the Crisis in New York.

[From the London Times, Sept. 15]

The map of the United States in any English atlas twenty or even ten years old is about as much out of date as the geographies which occupied half the middle of Europe with "Polonia," which described a somewhat less area as the kingdom of Moscovie, and gave to a few broken outlines of coast in the Indian ocean the single name of "New Holland." Regions that in some school map of the "States" were traversed by the Ottoways or the Ojibbeways, the Sioux or the Mohawks, or generally "the Red Indians," are now as thickly fretted with railways as Lancashire or the suburbs of London. The wonder is first how the railways were made; then how they can pay. But we are told to look to the vast cities that have sprung up in the wilderness, and to the lakes and the canals. Then certainly the railways must help one another; yet one cannot help noticing how often one route has two or three competitors. It is true that even here we may go to Birmingham, to Nottingham, or to York by different routes; but this is a thickly peopled country, containing a good many people who can travel for pleasure, in season and out of season, in bad times as well as in good. Then it is a comfort to those who have invested their savings in a Michigan or Illinois Railway to hear that it has been done so cheaply and rudely that no Englishman in this country would trust his limbs to its light rails and timber bridges. Yet, considering the mileage, something enormous, and the fact that the population of the States, after all, is not so great as that of the British isles, and not nearly so wealthy, the most sanguine believer in improvement and progress must have his misgivings as to the paying qualities of these long thin lines. But how were they made? It was State bonds and canal shares that Sidney Smith invested with such a halo of notoriety. The States borrowed and then repudiated. This was but an elementary stage of American progress, and the British public has long since flattered itself that it is awake to the dangers of simple repudiation. How is it done, then, in these days? Our correspondence from New York throws some light on this difficulty. That gay and lively city adds now to its other excitements a panic, which our correspondent likens to various gregarious terrors and mishaps, such as bisons rushing over a precipice, and sheep running through a hedge gap. But it is evident that a panic in New York has its redeeming features; for there are people there who thrive on a panic, and can even get one up. It is evident, too, that a panic is well compared to a rush, for it has a direction, and that direction is as painful to one side as it is ruinous to another. It represents a run of money, leaving a void at one quarter of the compass, and giving to another rather more than its due. A panic is not merely a species of commercial pathology; it is an act of intention, strength and skill, with authors, motives, victims and all the rest that constitutes action. Let us see, then, how a panic at New York operates upon American railways and their numerous British shareholders.

Let us suppose the British "capitalist,"—generally a man who has earned his money slowly, and his experience still more slowly—alive to a few of the perils that environ American speculation. Let him be fairly up to a pretended State guarantee, or an informal State guarantee with a flaw in it; to the danger of rival lines, and of lines made simply to assist in the making of lines, which will ruin them when made; to the dangers of management, of amalgamations, of leases and sales, which may or may not leave the general shareholder in an unpleasant position. Let the Englishman either devote the autumn of his days and the flickering light of his declining income to gaining an insight into these curiosities of American enterprise; or let him have the sense to consult a broker, who can point out these dangerous places on that smooth, seductive surface. Still there remains one peril which hitherto has not been so fully illustrated, and which many of our readers must now be learning to their cost. Railways in the United States, and a few other undertakings, appear to have an unlimited power of borrowing in a market of which the ups and downs are wholly beyond all English ideas. All the great lines have been borrowing in the New York market on their own acceptances, and have done so easily, as they have generally been willing to pay the highest rates of interest. Our own companies have done pretty much the same, to their cost; but the highest rate of interest here is not nearly so high as there, and we have not seen a great company going about from house to house, begging for an immediate loan to pay the interest due on its bonds, and Lombard street crowded with speculators whose lives depended on the result. On the first day of this month, Wall street, New York, was in a state of delightful excitement. "The September coupon on the Erie second and third mortgage bonds matured, and the company were without means to meet them unless the banks would advance $600,000 [It was not till midday that the banks agreed to do it.] Had they declined, it appears the little confidence left at New York would have gone altogether, and it is evident that humanity and patriotism were allowed to sway the decision. But for this appeal, and but for some tender elements in the philosophy of Wall street, what would have become of the Erie shareholders, when the second and third mortgages would have to go without their interest? The result was, the "second and third mortgagees" got their September coupons. But how about the shareholders? Those of our readers who may happen to have embarked their all in this company will be interested to hear that it has been at its wits' ends to pay a hundred thousand pounds, and that it had to borrow for the purpose on a day when "the best commercial paper could not be done below twelve to fifteen per cent, and by far the largest business was at two per cent a month." But these panics are periodical, and at no such great intervals. There is not a railway in the States that has not to go through a few of them. But when a railway can borrow as much as it pleases on its own acceptances, and when the rate of interest for loans is at the usurious rate stated above, it results that the inevitable operation of a United States railway is to draw the money out of the pockets of the shareholders into that of the Wall street money lenders. No railway, certainly not any American railway, can ever yield profit to cover such interest; and, as the interest must be paid, the profit must disappear.

In fact, the best comment on this sort of transaction is the value of the shares in the market. What is a share worth when it becomes merely an authority to half a dozen gentlemen to contract any debts they please, at any rate of interest they may find necessary? Railway stock, which was supposed to have fallen quite low enough, had gone down ten or twenty per cent lower at the last date, and still going down. The truth is American railways have been bursting at both ends, both on their income and on their outgoings. The crops have not been quite so good; travelling, therefore, not quite so brisk; while railways have had to borrow money against a host of needy competitors. There is a crowd of speculators in sugar, in cotton and in corn; there are States with debts rather above their present means, and wanting more money still; and there are banking companies with names that would not bring them much credit in this country, but which hitherto have won American confidence. At the beginning of the month there was a crash of them, and as one reads the list one seems to be reading a page of some commercial romance, but not a matter-of-fact report. What would Englishmen, simple as they are, have expected from the "New York [Ohio] Life and Trust Company?" What prudence, or even honesty, was likely to be found in projectors capable of such a jumble of words? Yet this company had thriven at Cincinnati, till in an evil hour it winged its flight to New York, and became a machine for drawing the money of the Western agriculturist into the coffers of the Wall street money-lender. Then the Mechanics' Banking Association gave way to the storm, followed by a dozen private houses. Several of the railways were holding meetings to look their difficulties in the face. Meanwhile, it is evidently the game of a numerous and powerful body to keep up the panic, by means which neither the taste nor the law of this country would allow. The journals make pleasant remarks on the "weakness" of such a "concern" or the amount of such a company's bills, and the "sweetness" of the "lot." The public are carefully informed of the difference between a company's deposits and discounts; and when a few of the more distinguished have been duly stigmatized, it is added that the list is very far from complete. No doubt we have had as bad a state of things in this country. The peculiarity of the New York panic is that it is industriously and avowedly got up, aggravated and prolonged; that this is done with the most entire success and with the most formidable results upon every class of debtors; and that to this market, thus in the hands of the money lender, and liable to these fearful fluctuations, most of the American railway companies have to come for the means of completing their works, paying the interest on their bonds, and the dividends, if any, on their shares.

The Interest of England in the American Crisis.

[From the London Times (City Article) Sept. 17.]

Further advices from New York may be expected tomorrow by the North Star. Their interest to the British public will be simply a matter of about £10,000,000 sterling, that is to say something equal to the utmost ever apprehended from the Indian insurrection. The two last mails have brought news of an average fall of thirty per cent in the most prominent American securities, and assuming the total amount held on this side to be about £80,000,000 sterling, which is probably much below the true amount, our nominal loss has already, in the course of ten days, reached £24,000,000, a sum which still inadequately represents the real mischief, since, when the present panic commenced, the market was already suffering from a year or two of almost uninterrupted depression. In such a state of things further violent fluctuations must be expected, and a recovery of ten or fifteen per cent, or a further fall to that extent, may therefore be considered probable. According to the representations of the organized party who were pledged to bring about a hopeless convulsion, the occurrences at the last date were merely a commencement. The railway interest had been crushed, but the banks, on the whole, still stood their ground. So long as this was the case the break up would be far from complete, and the energies of the gentlemen who seem to be allowed to control the New York Exchange, and to rejoice in that interpretation of liberty which allows every man to attack his neighbor's property, had consequently to be exercised in a new direction. The results cannot be long in doubt. Nothing is easier than to ruin a bank, and in England, in consequence of this facility, such attempts are classed with the worst offences. At this moment two persons are lying in Newgate for endeavoring indirectly in a particular case to excite public distrust, and although one of them was a man of respectability, who acted upon a fancy that he had been personally injured, no one has been found to utter a complaint of the severity of the sentence. In New York, on this point, there is perfect freedom. Hence no institution is spared, and, indeed, the leading concerns are the first to be attacked, since if these can be broken the minor ones are sure to follow. Thus at the last date the New York Life and Trust Company, which has hitherto stood among the first establishments in the United States, appears to have been openly pointed at as holding a large mass of questionable securities, while the Bank of Commerce, also a well known corporation, was coupled with it as another weak concern. The Bank of New York was also included. At the beginning of the present year the stock of all these undertakings was regarded with the highest favor. Since that date the commercial position of the country has been wonderfully strengthened by continued immigration, an abundant harvest, and a total absence of all courage for speculation. Can it be that they were then altogether unsound, notwithstanding the general confidence reposed in them, or that they have gone madly to ruin in the few subsequent months? Each supposition seems alike incredible, yet against these banks and a number of others the speculators have apparently resolved to try their strength. Their fate will, perhaps, test whether there is at New York any amount of commercial independence that can assert itself and defend the institutions which have hitherto been represented to have the full countenance of the respectable classes, or whether it is for the future to be proclaimed that the operators now prominently on the scene are those who really command the financial destinies of the country. In that case any one who may make investments in America will do so with his eyes open, and must be supposed to have inclinations such as would prompt a person to take up his residence in a town liable to be sacked by the first band that may get up a riot or a conflagration. The hope, however, is that affairs have not yet come to this pass, that the power of those whose skill in acquiring fortune consists only in their ability to create an impression that their countrymen are incapable of carrying on a single honest enterprise may prove to have a limit, and that those institutions, whether banks or railways, which may pass through or recover from the present crisis will gain increased stability, and prize it in proportion to the peril to which they have been exposed.

Condition of the Bank of England.

[From the London Post (City Article) Sept. 18]

At the quarterly meeting of the governors and proprietors of the Bank of England yesterday, the Governor, Mr. Sheffield Neave, stated that the net profits for the half year ending 31st August last were £775,650, making the amount of rest £3,940,628 1s. 3d. After paying a dividend of 5½ per cent, the rest would be £3,040,210 1s. 3d. The court therefore proposed that a half yearly dividend on interest and profits be payable on and after the 10th October next of £5 10s. per cent, without deduction on account of income tax; and the court now ordered the dividend to be made accordingly. Mr. Pilcher wished to know how it was that their dividend was so much below that of the younger joint stock banks, which were paying from 16 to 20 per cent per annum? The Governor stated the difference of profits was more nominal than real. It arose from the fact, that the banks referred to were banks of much smaller capital, and therefore the amount of profit yielded a larger interest; whereas the Bank of England had £14,000,000 of capital over which they had to divide profits of £3,000,000. Over and above their cost they had a residue of profits amounting to £340,000, out of which £800,000 was to be divided amongst the proprietors. They were necessarily compelled to keep a larger reserve than other banks, and that in some measure explained the difference of dividends. The report having been adopted, the chairman explained that as the dividend was larger than that declared on the last occasion, it would have to be confirmed by ballot, which would take place on Tuesday next. A vote of thanks to the chairman closed the proceedings.

The Troubles in the Three Great Money Markets of the World.

[From the London News, Sept. 16]

The announcement of a bank and railroad panic in the United States is peculiarly unwelcome at the present moment when so depressing an influence is exerted upon commercial enterprise and monetary affairs in this country by the attempted revolution in India, and when still greater gloom relapses in France. It is a most unusual circumstance for the three greatest money markets of the world to be thus simultaneously stricken. *In England, however, the quiet is merely the quiet of caution; in France it results from financial exhaustion consequent upon a previously inflated speculation. In America the situation presents many features analogous to that in France, but with this difference—that the rottenness is nearer the surface of things.* We have long been familiar with the desperate haste of the American speculator to get rich. That speculation shall begat extravagance seems to be a law of nature, for what is lightly earned is lightly spent. The result is witnessed in that recklessly profuse style of living which forms so striking a feature of society both in Paris and New York. We in London are quite sober by comparison. For the root of all this we must look mainly to the facilities afforded to speculation by the modern mania for joint stock enterprise, especially in the direction of railways. England, we may hope, has passed through her phase of trial, and the lesson has been so bitter that there is not the slightest fear of her again exceeding prudent limits for a very long period to come. In fact, the mere mention of a proposal for the construction of new railways within these islands is sufficient to make capitalists button up their pockets in haste, unless a liberal guarantee from a powerful company, or some similarly exceptional inducement, be held out. Subscribers in England will scatter their money to the four winds of heaven, and construct railways for any civilized nation of the earth, but the idea of making fresh railways at home, after the experience already gained, they utterly scout. The cost of this experience is such proportion of the £300,000,000 sterling and upwards already expended as has been absolutely wasted; and a vast sum this proportion represents. Other countries have yet to pay for their railroad experience, and the price will probably, in many instances, be a high one. Of late years France has been repeatedly on the verge of serious financial embarrassment through investing too largely in earth works. In America the establishment of the railway system has led to periodically recurring panics, all inferior in severity, however, to the present one. Americans refuse to allow that they have made their railways too quickly, yet how often do we hear them contrasting the number of miles constructed in the States with those executed by Europe, and boasting of the superior energy and enterprise of their fellow countrymen. After making allowance for the comparatively low cost of the American railways, this very comparison is sufficient to induce an apprehension that a young community like the United States, whose monied capacity is as yet far below that of England or France, has sown the seeds of the present difficulty through undue haste in railway construction.

But this is only part of the evil. After the American railways have been completed, the stockholders, as has also happened in England, have exhibited a considerable degree of apathy, by entrusting the management, in many cases, to men of strongly pronounced speculative tendencies, under whose guidance a perilously lax system of accounts has grown up. Hence has arisen a large mass of floating debt, calling for renewal periodically, whatever may be the state of the money market. At a period of panic like the present there is, consequently, a complete scramble for money on the part of such railway companies as may happen to want funds to meet liabilities falling due. What can be imagined more discreditable to the whole American railway interest than the scene described by the last mail of *the entire financial metropolis waiting, in trembling impatience, to learn whether one of the leading railway companies would be able to obtain from the bankers money sufficient to discharge the interest on its bonds?* A singular sight we should think it in England to see a crowd of London and Northwestern Railway proprietors besieging the doors of Messrs. Glyn's banking house, on the tip-toe of impatience to learn if that firm would condescend to pay the interest on the company's debentures. The financial blots of English railway management frequently call for the strictures of the press, but shrink almost into insignificance compared with those presented, and passed by without comment, on the other side of the Atlantic. The fact is, the whole system of American railway finance needs purification, and one good result will be gained if the forthcoming exposures be attended by serious discouragement to the practice, hitherto far too far rife, of remitting immense masses of bonds for sale, frequently at a serious discount, in the English market. But the first step towards financial reform must be an improvement in the composition of the railway boards. Unless the public have confidence in the men, they cannot possibly have confidence in the property which those men administer.

The chief question of interest to the English mercantile community is, how far will the effects of the present panic extend? Is it likely that the shock to confidence will lead to much disturbance of legitimate trade? So far as an opinion can at present be ventured upon, we think the answer must be in the negative. The worst feature of the time is the run upon the banks; and, unfortunately, no very high opinion is entertained of the caution of American bankers. When the market is easy, they are ever ready to lend recklessly upon all kinds of railway and other securities; and when pressure arises, a wholesale contraction by the banks frequently precipitates a crisis. It will certainly go hard at this juncture with banks which have too large a portion of their means locked up in advances on railway securities, for the fall in these has been terrific, and no progress could be made with sales under present circumstances. The banking history of Scotland shows the inevitable consequence of such a departure from the rules by which all banking institutions ought to be governed. But should the high class banks weather the storm, as it is believed they will, the period of trial to the commercial community will probably be brief. More failures are undoubtedly to be looked for, both in New York and in other cities of the Union; but there is strong ground to believe that these will be mainly confined to speculators and speculative establishments. Should this turn out to be the case, the apprehension of embarrassments on this side, and of a heightened interruption to the course of legitimate trade, will be greatly alleviated.

Stock-jobbing in Paris—Decline of the Credit Mobilier.

[From the London Times, Sept. 15]

The Credit Mobilier is subsiding into an ordinary commercial company. The shares, although still bearing a premium, have fallen fifty per cent in the market. It is not impossible that the capital originally subscribed may still be forthcoming, *but the confidence which enabled the association to realize enormous profits is irretrievably gone.* A trading firm without a definite sphere of operations can only prosper by the reputation of prosperity.

There is little cause for regret in the probable failure of a project which ostentatiously violated all the rules of economical prudence. The exceptional gains of the Credit Mobilier for a time appeared to sanction the extravagant pretensions of its founders; but all commercial doctrines would have been confused if a bank had permanently thriven which was precluded by its constitution from engaging in the legitimate business of banking. The suspicion under which the speculation was commenced furnished additional ground for suspicion. The conception of the scheme was due to the St. Simonians of five and twenty years ago, and the official favor which facilitated its introduction might arise from considerations altogether irrespective of the interests of the shareholders. *The Socialist admirers of the enterprise hoped that it would ultimately defeat the competition of individual capitalists; nor was it a secret that in the event of complete success the new company was destined to become an important department of the State.* Englishmen have little right to triumph over the collapse of foreign bubbles, but in this country speculations are only attractive when they profess to be exclusively commercial. Philanthropic or political premises would be fatal to projectors.

French writers on political economy have never succeeded in impressing their doctrines on the popular mind. The clearness and controversial vigor by which some of them are eminently characterized, may, perhaps, in some degree be attributed to their position as the representatives of a protesting minority. The different Socialist sects are unanimously hostile to a science which is founded on axioms contradictory of their own; and the influence of Socialism extends far beyond the range of its nominal adherents. No delusion has been more widely spread in France than a belief that some mysterious attributes belong to the notion of credit. Louis Blank relied on this resource when he preached the organization of labor at the Luxembourg, soon after the Provisional government had, with admirable consistency, abolished the professorship of political economy. In commercial parlance, credit is no more than the transferable value of some material possession. In this sense the landowner knows that he can raise money on his title deeds, and the mechanic that his watch will be represented by a pawnbroker's duplicate. The transcendental credit of the new school of anti economists is exempt from any servile dependence on actual property. Almost all the speculative projects which inaugurated the imperial era originated in a belief that phrases might be substituted for money. A beneficial result was produced when private hoards were tempted to enter into profitable circulation, but nearly every application of the principle of credit had long since been brought into use by the necessities of trade.

The founders of the Credit Mobilier announced as their peculiar function the purpose of supplying speculative enterprises with the same banking facilities which were already provided for ordinary commerce. The statutes of the institution confine its operations to joint stock companies, or to public funds. Its investments have been made in docks, in railways, and in similar works, and at least in one remarkable instance the Association has come to the assistance of the government. The capital and reputation of the Credit Mobilier have not restricted their beneficial influence to France; Austria and Spain have received their share of the fertilizing stream. The effect on enterpr