

**COMMERCIAL GAMBLING:  
THE PRINCIPAL CAUSES OF  
DEPRESSION IN  
AGRICULTURE AND TRADE**

Published @ 2017 Trieste Publishing Pty Ltd

ISBN 9780649501540

Commercial Gambling: The Principal Causes of Depression in Agriculture and Trade by  
Charles W. Smith

Except for use in any review, the reproduction or utilisation of this work in whole or in part in any form by any electronic, mechanical or other means, now known or hereafter invented, including xerography, photocopying and recording, or in any information storage or retrieval system, is forbidden without the permission of the publisher, Trieste Publishing Pty Ltd, PO Box 1576 Collingwood, Victoria 3066 Australia.

All rights reserved.

Edited by Trieste Publishing Pty Ltd.  
Cover @ 2017

This book is sold subject to the condition that it shall not, by way of trade or otherwise, be lent, re-sold, hired out, or otherwise circulated without the publisher's prior consent in any form or binding or cover other than that in which it is published and without a similar condition including this condition being imposed on the subsequent purchaser.

[www.triestepublishing.com](http://www.triestepublishing.com)

**CHARLES W. SMITH**

**COMMERCIAL GAMBLING:  
THE PRINCIPAL CAUSES OF  
DEPRESSION IN  
AGRICULTURE AND TRADE**



COMMERCIAL GAMBLING:

244395

THE PRINCIPAL CAUSES OF

DEPRESSION

IN AGRICULTURE AND TRADE.

WRITTEN

(after Thirty-one Years' Experience in the Commercial World)

BY CHARLES W. SMITH,

LIVERPOOL,

EDITOR OF WHITAKER, WHITENESS AND CO.'S "WEEKLY TRADE, FINANCE, AND  
COTTON CIRCULAR" (ESTABLISHED 1876).

AUTHOR OF "ORIGINAL THEORIES UPON, AND REMEDIES FOR, DEPRESSION IN TRADE,  
LAND, AGRICULTURE, AND SILVER."

SAMPSON LOW, MARSTON & COMPANY,

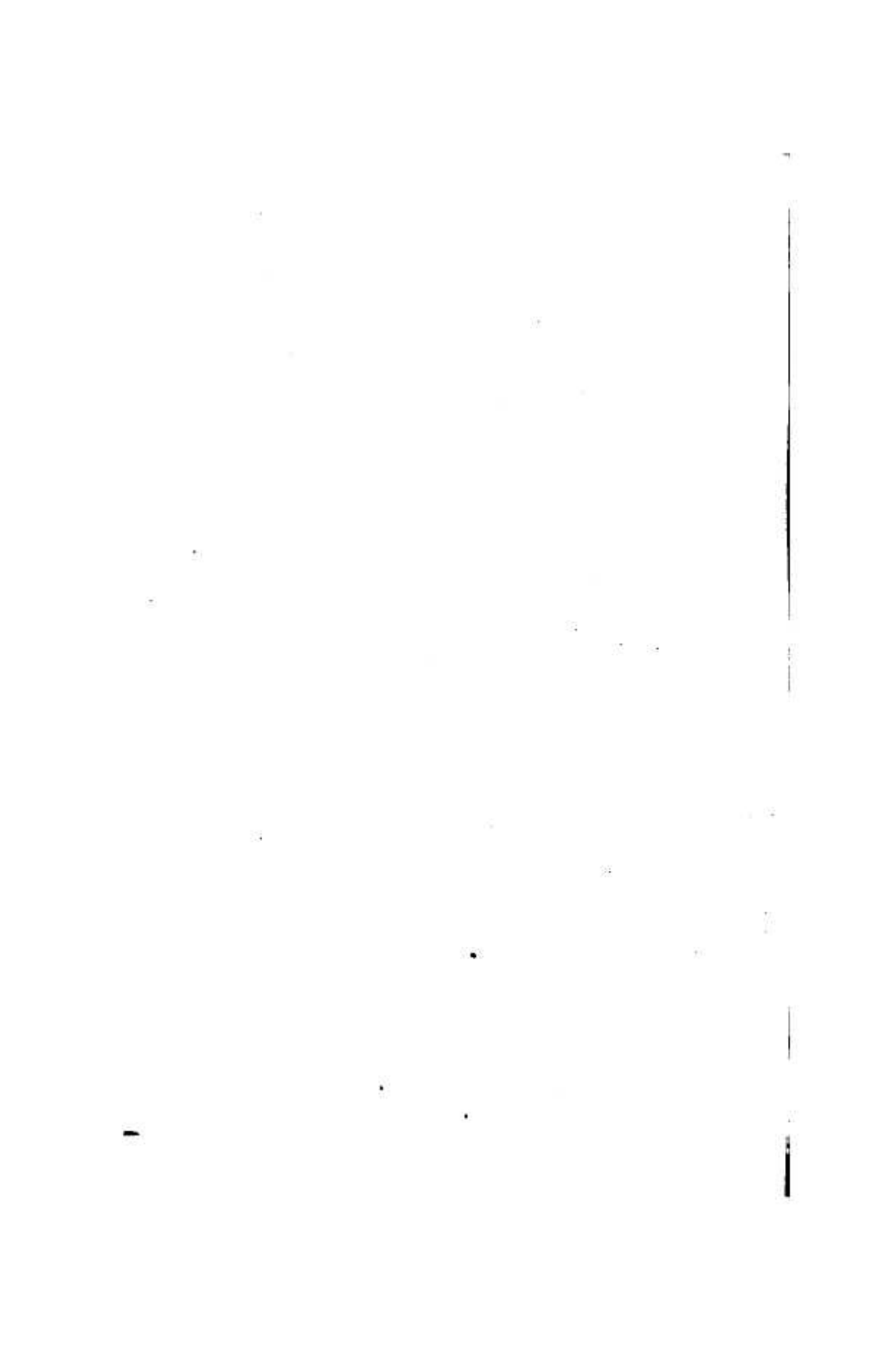
LIMITED,

St. Dunstan's House,

FETTER LANE, FLEET STREET, LONDON, E.C.

1893.

[All rights reserved.]



## PREFACE.

---

THE book which I had the pleasure of bringing before the Public recently, entitled "Original Theories upon, and Remedies for, Depression in Trade, Land, Agriculture, and Silver," having excited a far greater interest amongst all classes than I had ever even hoped for, I am in consequence carrying out my promise made in the Preface thereof, by enlarging and dwelling upon the principal subject I therein propounded, so as to explain the gradual ruin that has been brought about by gambling, not only in Options of wheat and corn, but also in those of other produce, as well as seriously

Release 1-2-29 MUP

44395-

affecting the value of the land that grows these commodities.

I trust the remarks I make will not be taken as personal; but, to write fully on such an important subject, I must be plain, straightforward, and explicit, so that not only the non-commercial world, but also the landlord, farmer, and working classes, can fully understand the subject, and, I trust, realize the curses the Option, Future, and Settlement systems have brought upon the world, as I have done for many years past since they were introduced, not only as the basis for moving the crops abroad, but also for importing foreign produce into this country.

CHARLES W. SMITH.

WHITNEY COURT, HEREFORDSHIRE,  
*May 1, 1893.*



## CONTENTS.

	PAGE
PREFACE . . . . .	v
GLOSSARY OF TECHNICAL TERMS, AS USED IN THIS WORK . . . . .	ix
GLOSSARY OF A CLEARING AND SETTLEMENT HOUSE . . . . .	xiv
LIST OF COMMODITIES DEALT IN OPTIONS AND FUTURES . . . . .	xvi
DEFINITION OF OPTIONS AND FUTURES . . . . .	1
DATES WHEN REGISTERED SETTLEMENT AND CLEAR- ING HOUSES WERE ESTABLISHED IN ENGLAND . . . . .	4
THE FUTURE, OPTION, AND SETTLEMENT SYSTEMS (A COMPLETE EXPOSURE) . . . . .	8
ORIGIN OF THE SYSTEMS OF OPTIONS, FUTURES, AND SETTLEMENTS . . . . .	8-15
HOW THE OPTION, FUTURE, AND SETTLEMENT SYSTEMS WORK, AND THE EFFECTS OF THE SAME . . . . .	16-110

	PAGE
THE REMEDY . . . . .	111
REPLIES TO OBJECTIONS . . . . .	130
SUMMARY OF FACTS . . . . .	152
INDIA . . . . .	159
CONCLUDING REMARKS . . . . .	166
SELECTIONS FROM PRESS NOTICES ON "ORIGINAL THEORIES UPON, AND REMEDIES FOR, DE- PRESSION IN TRADE, LAND, AGRICULTURE, AND SILVER" . . . . .	171

GLOSSARY OF TECHNICAL TERMS, AS  
USED IN THIS WORK.

A *Bull* is a person who buys Options and Futures for a rise in the market.

A *Bear* is a person who sells Options and Futures for a fall in the market.

A person is said to be *Long* when he holds Options and Futures unsold.

A person is said to be *Short* when he has sold Options and Futures which he will have to buy back.

A *Scalper* is a person who either sells short, or buys Options and Futures long, with a view of scalping an infinitesimal profit on the transaction.

A *Jobber* is a person who deals every minute of the day in Options and Futures with a view of making small profits, and generally winds up his transactions at the end of each day.

A *Dealer* is a person who is open to sell or buy Options and Futures at the smallest fraction over or under the market value.

A *Wrecker* is a determined operator who wrecks the market in Options and Futures in any way he can to obtain his ulterior object.