

change the produce of his labor for money, with which, on account of its great divisibility, he can purchase at will various other articles.

Together with the great advantage of facilitating trade or exchanges there are a number of other benefits, almost equally great, which have occurred from the introduction of money and which, therefore, are deserving of some little consideration. It is a well known and universally recognized fact that the diffusion and practice of systematic industry is conducive to the public good, but at the same time we are fully aware that in man there is a great tendency towards indolence. Man feels himself naturally prone to take life easy, and the natural consequence is that he tries to avoid labor as something distasteful. We find this the case more especially among the barbarians, who will shirk work unless urged to it by some strong incentive, and yet they are not so lazy but that they will work rather than starve; and if in a country we see them spending their time in idleness, it is due to the fact that they have no thought of what the future will bring and live only for the pleasure of the present. To rouse them from this indolent mode of life and urge them on to work a powerful stimulant is required, and for this purpose money is admirably calculated. It excites men to seek it, while it promises satisfaction to every material interest. A man may be unwilling to work for the products of others: "he may refuse to work for the grain of the farmer, or the iron of the smelter, and may yet work freely for the money of either." And why? Because, while he may not have any immediate need for the grain or iron, he knows that with the money received in payment for his labor he is able to purchase at any time the products of these and of others besides. Thus, we see that by the adoption of money, the natural indolence of man is largely overcome, and industry is thereby extended, quickened and intensified, and consequently to this influence of money on industry is due much of the comfort, enlightenment and progress of the race.

Here now the question arises: what shall be used as money? From history we know that different nations used different material objects as money, and this is so even in our own day, for in the East they do not, as we do, use gold as a cir-

culating medium. However, at a very early period, gold and silver, thence termed the "precious metals," were for obvious reasons recognized as money by all civilized nations. Without delaying to consider the iron coins of Sparta, the copper coins of Rome, or the leather coins of Russia to the time of Peter the Great, let us see what are some of the many qualities which fit the "precious metals" for use as coined money. Being of high cost in proportion to their bulk, and rendering large values cheaply transferable, they are highly estimated and eagerly sought after. They are among the most imperishable of all substances: "they are not liable to rust; they are easily alloyed with baser metals, and as easily separated again; they receive a stamped impression easily and retain it firmly; they are not easily worn or abraded; and are readily distinguished from the other metals." But, together with these desirable qualities they have their defects, such as their weight, their intrinsic value as commodities, and hence there is a real loss of value when they suffer abrasion. All of which goes to show that we have not yet attained the complete separation of the function of money from that of commodities.

Before proceeding further let me here remark that though money is often termed the measure or standard of other values, it must be remembered that it is "only in a popular, not a scientific sense, that it serves as an instrument for the comparison of values." To be a standard of values in an absolute or scientific sense it must be unchangeable; but the value of money changes, and, like any other commodity, it depends on the quantity of the things for which it may be exchanged. It is more scientific to regard labor as the standard of value, that being the means by which nature's resistance is overcome. Consequently, we must regard money as a standard of value in a relative sense only.

Now all will concede that the most perfect money is that which changes hands with greatest ease and rapidity: "the more rapid the circulation of money, the greater its usefulness." But as has been remarked, there are some defects in gold and silver as money, which render them to a certain degree objectionable: such as their weight, and the loss of real value due to the abrasion they undergo. A means,