

now appears in the garb of a wealthy Western merchant, doing an annual business of many thousands of dollars. His old neighbours at home are astonished to learn in a very short time that Tom, Dick, or Harry has suddenly become a nabob. They open their unsophisticated eyes in gaping wonder at the recital of the magnificent style in which he is reported to live. In the meantime, Tom, Dick, or Harry, as the case may be, finds that to live the nabob requires a vast deal of money. And when he needs the money most, as the bills begin to pour in, he learns to his vexation that money is *tight*. For, however large and thriving a business he may be doing, he, too, must accommodate his creditors, and so, when his own debts fall due, not having the capital to back him, and too proud to make an assignment while yet his assets are sufficient to meet the demands of all his debtors, he resorts to borrowing—at least, I dignify with that name the practice of discounting prevalent here, though, in truth, there is very little borrowing about it. I do not call it borrowing when a man deposits a hundred dollars with me for thirty days, and then charges me from 3 to 5 per cent. for keeping it for him. *Skinning* would be a name more *a propos*. Nevertheless, such is the means by which Tom, Dick, or Harry keeps himself on his legs for a brief span. Poor fellow! he is only hoping against hope. Like Micabar, he waits most patiently for something to turn up, which shall relieve him from his embarrassment. As any one can imagine, that something does not turn up once in a hundred times. So our adventurer must go to the wall. There is no other chance. It may be deferred for awhile, but come it must and will in the end. The ominous knock of the constable at his office door every hour in the day, presenting writs and attachments, the ill-mannered intrusions of bailiffs into the presence of his wife and children, the cold shoulder of pretended friendship, and the refusal of the money-lenders longer to discount his notes, force upon the poor man the alternative of going to jail, or else taking the oath of bankruptcy.

If the evil ended with this, there would be no very great cause of complaint, for it would be pretty generally agreed that our adventurer had suffered no more than was justly his due. The great misfortune is, others are made to suffer through his folly. The financial credit of a hundred good citizens may be injuriously affected through the foolish speculations and too great expansion of one such man of straw. Nor, indeed, is even that the whole extent of the injury done. The reputation of the community in which he may reside suffers also, as the reputation of Chicago and other Western cities has been made to suffer for the past few years. And yet this should not be so. Such adventurers do, and ever have, existed all over the world. They have a fairer field in the West wherein to exercise their peculiar talents than elsewhere, and hence, save in California, we are more troubled with such mushroom knights than any other portion of the country. This, I humbly conceive, is all the blame that can attach to us. Our sinning hath this extent,
no more.

D. R. H.

PUBLIC CREDITS.

A writer in Hunt's Merchants Magazine thus speaks of the origin and effects of public credit:—

There is two general modes in which credit is made use of by governments. First, by the issue of paper money; secondly, by the funding system.