

"If the Government were to increase the note circulation it could do so in only two ways. One would be to increase the public debt by issuing more promissory notes; it has not authority for this, and there is no justification in the condition of the national finances, and the experience of the last six years is quite enough to deter the Government from assuming responsibility for any more credit circulation. Or it might issue notes secured by a deposit of gold. Secretary Carlisle was opposed to doing this because it increased the amount of notes against which gold had to be held. But it is as broad as it is long; if there were more certificates out there was more gold in; the relation of the reserve and the legal tender notes was not disturbed, and as long as the legal tender notes could be used over and over for taking gold out of the Treasury it made little difference whether the notes redeemable in gold were increased. It mattered little how many buckets were attached to the endless chain so long as the chain was endless and kept moving around.

But the banks cannot increase the note circulation; that is, they cannot profitably do so, and it is absurd to expect them to do business at a loss. To put out \$50 in notes they must buy a \$100 bond drawing a low interest and already commanding a substantial premium. They are finding this unprofitable and are selling their bonds and using the funds so released. Under these circumstances it is not unreasonable to ask the Government to respond to the demand for notes by issuing them against deposits of gold. The currency system is its own, designed exclusively for its own benefit, and the business community is excusable for asking that it be made to work with as little inconvenience as possible."

It is evident that the circulation is declining because of the refusal of the Government to permit banks to issue notes unless a certain portion of their capital is invested in bonds of the Government. It is equally evident to those familiar with the Canadian Bank Act that, if the United States Government would, as "The Review" suggests "take its hand off the throat of bank circulation," the financial institutions would quickly provide the country with a safe and abundant supply of currency.

Some Fires and The Property Owners' Fire Association of Rock Island, Illinois, are doing good work in circulating, free of charge, the following excellent article from the "Daily Union," of that city. A proper public sentiment upon the subject of incendiarism is sadly lacking, even in Canada, and we cheerfully assist in an effort to stifle the apparent prejudice against insurance companies too frequently displayed by spectators at fires, and by jurymen and those who should know better when insurance claims are under review in courts of law. The "Daily Union" says:—

It is very clear that the premium-payers at large have been too lax in tolerating fraudulent fires. The

public has been too slow to realize that every burden placed on the fire insurance companies comes back on those who pay the premiums, and that, too, with agents' commissions and other expenses added. For many reasons, whether well founded or not, there exists a public prejudice against insurance companies which shields incendiarism, and very materially increases our premium rates.

The "Daily States," of New Orleans, hits this nail on the head as follows:—

We have heard intelligent merchants remark, while watching the progress of a fire, "Well, another fellow selling out to the insurance companies." This has long been an appropriate remark to make at a fire, but it is fallacious all the same. The "fellow" didn't sell out to the insurance companies, but to the community; and when premium-payers are called upon to pay these losses we find where the burden falls.

As an illustration of perverted public sentiment on this question of the fire waste and incendiarism, a prominent newspaper at Omaha cites the following incident from the coroner's records in that city:

A few years ago a stock of goods in this city was partially destroyed by fire, and the body of one Bornstein was found in the ruins. The coroner's jury returned a verdict that this man came to his death by fire and an explosion while he was in the store for incendiary purposes, at the instigation of one of the firm owning the stock.

Now, bear in mind, the instigator of this crime was not brought to trial. Public sentiment was in favor of permitting the firm to collect its insurance money, and to shield this man from prosecution. The claim was settled by the insurance companies, and the Omaha property owners paid the bill.

Fires are the insurance companies stock in trade; and if the public is willing to see this waste continue, and cover these criminal peculations in their premium accounts, no doubt the companies must continue to pay these fraud claims, and charge it up to the property-owners in the insurance rates. Then, too, the resulting fire sales of damaged merchandise is no small menace to mercantile interests.

We believe that it is high time for the property-owners to exert themselves, in an organized way, to suppress fraudulent fires, and to establish a rigid public sentiment against this incendiary evil, which, putting it mildly, is responsible for more than half our fire waste.

The March of Science. The statement that a German physician has invented an apparatus whereby the interior of the human stomach can be photographed comes to us with a sort of shock. What next? It is claimed that the pictures thus taken are capable of enlargement, and, consequently, can be studied at the leisure of the possessors. As a means of obtaining penetrating and comprehensive information, a complete knowledge and reproduction of a Dutch or English interior, this invention may occasionally serve a useful purpose. Yet we tremble to think upon some of its many uses. Possibly life insurance companies will now require, in addition to the mass of information furnished by the medical examiner regarding an applicant for a policy, a cabinet sized picture of the musculo-membranous reservoir, or cavity, specially designed for the reception of food. The consequences are not pleasant to contemplate. If the required photograph should happen to be taken