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Sidelights on Money

DURING the brief rest intervals in the business of dollar hunting, following the war, and trying to do business as usual on this continent, it is interesting to study the position of money in other countries.

According to Mr. Mori, financial commissioner of the Japanese government in London, there is an old-time contempt for money in Japan. Whatever the real motive of the ancient moral code might have been the general impression left and deeply rooted by the teachings of the wise men of old was that it was unworthy of a gentleman to think or talk about money. In Japanese history, drama, novels, very little mention was made of money, and the subject was always curtly dismissed or harshly treated. Gentlemen tried to keep aloof from all money transactions. Mr. Mori referred to the changes that had taken place in this respect, and said in new Japan money had found a much kinder and wiser master. In all personal relations, however, the time-honored contempt for money was still the ruling spirit. Judging by recent events this, we think, is likely to change.

Money is held in great esteem in troublous Mexico. The only way to maintain the army recently was to pay them daily to hold their confidence. *The Monetary Times* recently printed a letter from a Canadian in Mexico who stated that the Mexican government, being on its last financial legs, was "printing bills by the bale" to meet the demands for currency. This was said to be due to the exportation to the United States of coin and paper money with the object of crippling the administration in Mexico. That apparently did not worry Huerta, who set going his printing machines and manufactured as much money as he needed. It is difficult to know exactly, from this distance, how the money situation is being handled in Mexico, but there seems to be as much confusion in that sphere as elsewhere in the republic.

As suggested by America, China's new coinage will have a silver dollar, half, quarter, dime, nickel, two cents, cent, half a cent and one-tenth of a cent, all minted in government mints. This means that very slowly the old system of using provincial coinage of debased value, bullion exchange, private bank notes and so on will pass away.

One of the most remarkable examples of the irregularity of the currency is cited by Mr. John Stuart Thomson, a Canadian who has written several books on China. He refers to the situation at Newchwang in 1912. National taxes are paid in Kuping taels; provincial taxes in Manchurian dollars. Customs duties are paid in the usual Haikwan taels; local octroi in small silver. The national post office will only accept Mexican dollars. The national telegraph office will only accept Manchurian dollars. The

national Chinese railway cashiers must receive payment of freight bills in either Peiyang or Kiauchou (German) dollars. The pursers of the national China Merchants' Steamship Company demand payment of fares in either Mexican dollars or Newchwang taels. The Japanese, who run a railway, a concession, public utility works and a hotel here, demand payment of their bills in the Japanese silver yen (dollar).

On their railway lines they demand payment in the Japanese gold yen. The Russian demands payment in his paper ruble note. The Americans and English demand payment respectively in eagles and sovereigns. All of these concerns will discount other moneys at a heavy profit, so that they, and the money changers, in the multiplicity of standards, soon shave the dollar down till its pride and distinction of stamp are humble and thin enough! A tael, the old monetary system, is a Chinese ounce equal to $1\frac{1}{3}$ ounces avoirdupois. The Haikwan tael, the standard of fineness accepted by the Custom House, is rated at 100, in comparison with which are the Tientsin tael at 105; the Hankau and Newchwang at 108, and the Shanghai at 111. When new silver arrived at the old provincial mints, it was refined or adulterated to conform with these grades. The edict of October 5, 1908, suggested that if the standardization of silver was successful, a gold standard might be looked for. Handling money, in these lands, savors of the proverbial Chinese puzzle.

The unexampled progress of most of the South and Central American States during the past quarter of a century has been the wonder of commercial Europe, but it is certain, as the British Export Gazette says, that these States might have enjoyed still greater industrial and commercial development, more fully commensurate with their unparalleled natural resources, had it not been for certain hindrances which have continuously beset their economic advance. It is paradoxical that countries with, it is true, separate administrations, yet the majority of one race and tongue, and with contiguous frontiers, should nevertheless be cursed in regard to inter-state commercial relations by so much chaos in money equivalents.

Take the dollar, for instance. Under the sign \$ a value is implied in Uruguay of 4s. 3d. in English currency; in Paraguay, under the name of peso, in silver, it is 4s. 1d., but in paper only 8¼d.; in the Argentine the peso or patacon is worth 3s. 11½d. silver and 1s. 6d. paper; in Venezuela, the venezalona is also valued at 3s. 11½d.; in Ecuador, the same value is attached to the sucre if of silver, but 2s. if in paper; in Colombia the peso is the equivalent in British money of 3s. 11½d. if in silver, but is 1s. 6½d. in paper. In Mexico, San Salvador, Guatemala, and Honduras the