relative quantity. It should therefore be limited to the exact increase of wealth and population; and no doubt this might easily be accomplished. All fluctuations derange the standard of value, and consequently affect the value of all the debts and monetary engagements of the whole community, and are therefore beneficial to some and injurious to others. The great changes, and especially the almost constant increase of the currencies of the different nations of the world within the present century, have no doubt been the chief cause of the growing demoralization and anarchy which appears to be spreading to a greater or less extent over all the older countries. This circumstance ought to be a warning both to statesmen and people of a still young and prosperous country like Canada, that they do not follow in the same track, and consequently fall into the same pit. In the earlier ages of the world money was necessarily composed of the precious metals; therefore it could not increase so rapidly on account of its being produced by the slow process of hand labor, and so long as its production did not outrun that of other commodities, the loss of the labor consumed was the only inconvenience to society, as the standard of value would remain steady. But, as most people are aware, in the latter end of the seventeenth century a new system of money was engrafted on the standard of the metals by the issue of bank notes to represent the value of coins. If the possibility of abuse is to be taken as a valid objection to a new monetary system, the present one ought never to have been adopted, as it has never ceased to be abused from the beginning, as witness the vast number of bank panics, and the hundreds of thousands of mercantile failures that have taken place since its establishment. The system originally gave an irresponsible power to all banks to *create* money, but that power is now restricted in most countries, and is rendered more difficult in the United States. So far as it still exists in the Dominion, it is a power to tax the people for the benefit of private individuals—a power that ought to be exercised only by the Government under the control of Parliament. Of course, as it has been stated, that money is neither wealth nor capital; an increase will neither increase wages nor profits, but it will make the necessity to labor on the part of the working classes more intense on account of the increase of prices, which will cause a lack in the usual consumption of commodities, especially of the second necessaries of life. Finally the stores and the warehouses become full of goods that would in the usual course have been consumed had it not been for the increase of prices. Then comes the crisis, the fall of prices, the bankruptcies, the depressions in trade, and the lack in the demand for labor, with all its attendant evils. The advocates of the present monetary system always pretend that bank notes have a guaranteed value because they are demandable in gold at the option of the holder, and this is supposed to sufficiently limit their circulation. This, however, has never proved effective until a run on the banks for gold had commenced. Under such experience for one hundred and fifty years, it was deemed necessary by the British Parliament in 1844 to limit by law the issues of all the banks in the United Kingdom. The Bank of England had recently been so hard pressed to keep its paper convertible, especially after the Joint