

"and monies in a state be not gathered into a few hands, for otherwise a state may have great stock and still starve; and money is like muck, not good except it be spread."

The distress which the depressed value of silver is working among the English in India has raised a movement in England to force upon India a gold standard; the more urgently as the fall in the rupee is acting as a protective tariff against the Lancashire cottons. The change is withstood by the more experienced Indian officials because of its stupendous injustice which, in the case of India, is palpable, although the injustice is the same in principle in Europe, but being much less in degree it is not so manifest. For in India all obligations whatever have always been valued in silver alone, whether taxes which are permanently fixed upon the land, or rents, or private obligations. If these are now exacted in gold the natives will be ruined; for they are poor and the margin upon which they live is very slender. The preference for silver, based upon their history and traditions, is even stronger than the English preference for gold. Their hoarded treasures are in silver and a Mongol invasion would cause less disaster than a change of standard.

All those who can remember the hopelessness of the business outlook which preceded the gold discoveries of California know how the inflow of gold armed with new life and hope the business energy of the world. God was not demonetized, although the proportion of its production to that of silver was as 76 to 23—although the usual product of five years was rolled into one. As the production of gold is falling off the production of silver will probably fall off also. It has fallen off in Nevada 75 per cent. since 1878, in Arizona 66 per cent. since 1882 and in New Mexico 50 per cent. since 1885 and although the product of Colorado, Utah, and Idaho has increased there is no probability that it will keep up at the present rate. Meanwhile the crusade against silver is disturbing society and if it goes on to its logical conclusion creditors will receive besides their interest double their principal in food, clothing and land; for land is valuable only for its products and farm lands would not fetch 30 per cent. of their value 20 years ago.

Some such thoughts as these are at the bottom of the widespread acceptance of the silver certificate among the middle classes of the United States. The phrase "dollar of our fathers" concisely expresses the fact that, until very recent years, the silver dollar was the basis of American trade and that the mass of the people regret it was meddled with. The popularity of the silver certificate expresses also the survival of the doctrine expressed in the constitution, though obscured in the exigencies of civil war, that nothing but silver and gold should be legal tender; and these certificates represent actual concrete specie, as no other issue ever did. The outcry that they are not honest money is met by the belief that the depression in silver is artificial and that to enhance by law the value of the contract dollar is as wrong as to diminish it; one is as honest as the other and one phase is as sincere as the other. The mine owners no doubt agitate in their own interest and, if they were alone concerned the ques-

tion would excite little attention. The interests at stake are far wider—they extend over the world and affect the property of all; for the legislative meddling with the world's money metals is raising the question whether it is more honest to exact one hundred and twenty-five cents or to tender seventy cents for one dollar of debt.

The monetary convention had an additional discouragement in the resolution of Austro-Hungary to adopt a single gold standard. That country is gathering up gold preparatory to discontinuing paper issue and to throwing out silver. On the other hand the state of trade in the gold countries as shown by recent reports of English boards of trade will afford abundant practical evidence of the evils of the progress of contraction. Many dangers which were matters of theory have now taken shape and are forcing the attention of statesmen. More plainly than ever is appearing the necessity of widening the basis of the credit currency if trade is to continue to expand and of steadying the values of property by the compensating action of a composite measure instead of resting everything upon the varying production of one single substance. The problem before the actual workers in business is how to permit the new silver to flow out over the world as did the new gold forty years ago and to fix upon the normal ratio between the two metals. That cannot be so great as the present panic stricken market would indicate but would probably be a ratio of 1 to 18; for the renewed coinage of silver would necessarily raise its price. Such a grave question as this cannot be settled by calling the bi-metallists "faddists". That is not a fad which has lasted from the earliest records of history until a few years ago. The epithet is more applicable to their opponents. The evils which called for inquiry by a Royal Commission must have been real evils. The members of that commission were eminent both in position and in mental power. From the detailed nature of their inquiries, the breadth of their survey and the careful deliberations of their conclusions their report is entitled to the greatest possible respect, yet Mr. Giffen, the arch-inquisitor and supreme dogmatist of monometallism, is not abashed in proclaiming it "a scandal of the first magnitude that they should have talked seriously, even for a moment, of the possibility of a fixed price between gold and silver." Such a fixed price existed even in England until 1816 and all over the continent of Europe until 1873. Then Germany made the "mistake of substituting gold for silver" (to borrow Mr. Giffen's words) and the silver panic set in. The Bland Coinage Bill, as the same authority admits, prevented in the United States a much more severe pressure for gold. "Bi-metallism," says Mr. Giffen, "is protection". There the "faddist" shows, for the phrase he seems to think so crushing does not count for much out of England. It is trade and not gold which England seeks and, as the report of the Royal Commission points out, the silver using countries will trade with other silver-countries. Mr. Giffen thinks that the adoption of bi-metallism would be for the advantage of other countries and nations, he thinks, are not philanthropic; but, so far, it seems that the gold countries

suffer the most, for it is only the English in India who are inconvenienced by the fall in silver. The philanthropy which so earnestly preaches free trade might not inconsistently go a little farther to benefit the nations.

After all, what is the chief end to be aimed at, is it not to build once more the prosperity of trade? The difficulty of maintaining an exact ratio between gold and silver may or may not be great; but it is not of the essence of the question. To quote from Mr. Giffen, "the benefits of great facility of exchange may be greatly exaggerated." He attaches little importance to the steadiness of the exchanges for he adds that "foreign trade after all is only a fraction of the business of great countries." Let only the currency of a country be of real money and its abundance need never cause alarm—there can be no panics or crisis for such a currency is not based upon faith. Then if the gift of an increase in the volume of money be utilized as in past years, the perennial truth of Hume's maxim will again be seen: "We shall find that in every kingdom into which money begins to flow in greater abundance than formerly, everything takes a new face; labour and industry gain life; the merchant becomes more enterprising, the manufacturer more diligent and skilful, and even the farmer follows his plough with greater alacrity and attention."

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VILLAGE LIFE IN THE HARZ MOUNTAINS.

It is a great charm in travelling to find ourselves among an honest and simple people, whose manners have not been corrupted by a cosmopolitan flood of tourists. Such an ideal place is the Harz Mountains in Germany. True, the German people flock there every summer, but they travel with true German economy, in a manner quite different from the prodigal American. And thus we have all the facilities of modern travel while spared the evil effects that it often produces. We see the German people here in a truly representative way, and have a good chance of studying their character. To one who has lived in a great city there is something delightfully attractive about a Harz village. The red-tiled houses built in a quaint old style, often with curious inscriptions carved above the doors, showing that the original inhabitant lived there some five hundred years ago, combined with the Conservative element on all sides give the suggestion of perfect rest and peace for the weary traveller. We notice at once how clearly defined the limits of the village are: all the houses are compressed into a small space, and we see no straggling houses warning us that a village is near; for the farmers do not live upon their farms as in America. The streets are very narrow and as the houses are built high on each side, are sometimes unpleasantly damp. It is a very rare thing to see an all brick house, for this is contrary to principles of frugality. Instead of this a framework is first built of beams interlacing in a peculiar way, which is then filled up with poor bricks, thus making a cheap, but patched-looking house. Many of the tiny cottages are covered with grape vines and the old cobbler working at his open window has only to reach out his hand to pluck the great bunches of grapes.