

**It Will Really be Paid in Goods and Services.**

When our national debt is paid, those who receive the money have the right to receive payment in gold if they choose. But there will not be enough gold in all Canada to pay so huge a debt. Nor do we need so much gold to pay it.

When people lend to the Government, it does not matter whether they pay gold, paper money, or cheques (so long as they have enough to meet the cheques). What the Government wants is the goods and services which can be obtained with the money, and it will take any kind of money which can be exchanged when necessary for goods and services. In the same way, when the debt is paid back after the war, very few people will desire to receive it in gold. They will want any kind of money which can be exchanged for the things they will need. In this way they will receive, not so many gold dollars, but so many gold dollars' worth of goods and services. CANADA WILL PAY HER WAR DEBT WITH HER WHEAT, IRON, WOOD, AND OTHER PRODUCTS, AND WITH THE LABOR OF HER PEOPLE.

QUESTION.—Why is it true to say that the debt will really be paid in goods and services when Canada has promised to pay in gold?

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**7. The Meaning of Money.**

Although it is clear to most people that money is useful to them because it will buy things which they desire, and not because of its own qualities, yet this truth is sometimes overlooked in arguments on the subject. It therefore seems worth while to examine here the meaning of money. This will enable us better to judge of certain schemes which have been suggested for paying the expenses of the war.

**Money the Medium of Exchange.**

Money is something which we need because of the division of labor. If each person made for himself all the things which he used, he would not need money, because he would have nothing to buy. But a civilized man nowadays does not attempt to grow all his own food, make his own clothes, build his own house, be his own doctor and dentist, and attend to all his other wants in person. Instead of this, each person chooses some one thing to do, whether