

**Money Markets
and Declining
Prices.**

The Chinese situation has had a serious influence upon the money markets of Europe, and has caused declines in many stocks. At the same time, considering the war that seems now positively before the powers, the indications have actually been that, while prices have somewhat declined and speculative activity been checked, the condition of the European money markets has, within the past few days, been appreciably better.

The fact seems to be that, notwithstanding the extensive interests which Europe and America have in China, and notwithstanding the serious losses which are certain to be incurred there in the destruction of the railways and of storehouses, to say nothing of trade, the nations are by this one terrible event, which plunges them all into mourning, more united than ever before in that deeper sense which segregates the European from the Asiatic, and if they could overcome their long-standing jealous watching and doubting of one another, and become convinced that they are unanimous and without ulterior motive in their attitude towards China, there is but little doubt that even the tremendous struggle that will have to be waged will be carried on without any particular disturbance of the leading money markets.

Yet, we cannot help directing the attention of our readers to a review of the year 1899, which we published early in January last, and to that portion of it in which we indicated the probability of duller times. Since then prices in many lines have fallen, especially in iron and steel, clearing house totals have diminished, failures have been more abundant, and the position that we then said was being approached has been touched.

Of course, the decline in prices naturally permits as extensive a business as heretofore to be carried with less money, and this largely explains the falling off in clearings.

**Sound
Currency
Wanted.**

When Bryan at the past Presidential election made free silver at sixteen to one the chief plank in the Democratic platform, he caught the advocates of sound money more or less off their guard and disorganized.

Tremendous efforts were, however, made to cope with the demagogue, and to educate the people, with what success the elections showed. Since that time a steady endeavor has been made utterly to destroy all likelihood of the public being hoodwinked on the silver question, and among the most potent influences at work in this direction has been the publication of a monthly monograph on finance by the Sound Currency Committee of the New York Reform Club.

Representing as it does the ideas of the financiers

of the United States, it may be of interest to lay its platform before our readers, as the coming fight will be largely upon its lines.

The Committee has adopted the following platform:

"Gold has become but the concurring habits of men, the standard by which values are measured and the balances arising from business transactions settled; therefore, our government, for the convenience and protection of its citizens (sic), should by law firmly plant the currency of the country upon the standard thus evolved.

"Opposed to all fiat money, we urge the retirement of all legal tender notes presented for redemption.

"We consider it essential that this reform should be accompanied by liberal provision for the issue of bank notes, under suitable safeguards, against general commercial assets, thus providing for a convenient and economical currency in each locality based upon its own business, and expanding and contracting with its legitimate demands."

Going more into detail, the Committee states that the bank notes, with which it proposes to replace the retired Greenbacks and Treasury notes, should be based upon priority of lien, by individual liability of shareholders, and, in fact, by the adoption of the Canadian provisions respecting such notes.

It opposes absolutely the present system of protecting bank notes by government bonds, which, says the Committee, "results in a rigid and inelastic currency, which utterly fails to meet the needs of business."

It also favors the establishment of branch banks.

This is the platform, not of theorists, but of active business men, some of them the heads of leading banks and all men of sound judgment.

How near it comes to a proposal to adopt the Canadian system our readers can judge, and they can appreciate the compliment.

The present currency and banking system of the United States is anything but a credit to so great a nation, and, so long as it is as it is, the country will be exposed to the dangers of demagoguism. Just as long as interest rates in the West remain nearly double what they are in the East, the West will be restless. Free silver will not help it, but a sound banking system will.

**Honour
Hyde and
Harvard.**

Mr. James H. Hyde, of New York, vice-president of the Equitable Life Assurance Society, has been appointed a chevalier of the Legion of Honour.

This decoration has been conferred upon him in recognition of his work for the advancement of French literature in the United States through the Cercle Francais of Harvard University.