

THE SILVER DOLLAR—A POPULAR DELUSION DISPELLED.

Throughout all the recent discussion on the silver bill, there is one idea which seems to have been uppermost in the minds of the single standard men, namely, *that silver bullion, as compared with gold, has within recent years fallen 10 per cent.* The same idea has been tacitly accepted as truth by the double standard men themselves. The President bases his recent veto Message to Congress on what, he considers, is beyond dispute—that silver had so fallen, and that consequently a dollar of the old weight of $412\frac{1}{2}$ grains is a dishonest dollar.

It is all a delusion. Silver has not fallen, and never did fall 10 per cent. People have been led entirely astray simply by the manner of quoting the prices of bullion in the London market.

It is admitted on all hands that the fall in the price of silver has been mainly caused by the demonetization of that metal by Germany. The temporary closure of the French Mint against its coinage has, of course, intensified the fall.

It is evident that the lessening of the demand for silver has been balanced by the increased demand for gold, both in Europe and America. The void made by the exportation of the silver from Germany has been filled by the new coinage of gold for that Empire. A lessening of the demand for silver must decrease its price—an enlarging of the demand for gold must increase its price. Gold must, therefore, in the very nature of the case, have risen as much as silver has fallen.

But why, then, is silver quoted as having fallen 10 per cent?

It could not, in the known circumstances of the case, be otherwise quoted.

England is a single gold standard country. Everything, silver bullion included, must of necessity be quoted *in gold*. So far as mere quotations of prices go, gold is there held as an immovable standard. But as it is impossible to throw a large and clamant demand on gold without raising its commercial value, the quotation of silver in London at 90, or 10 per cent. discount, manifests a fall of silver to the extent of 5 per cent., and a rise of gold to the extent of 5 per cent. Each has receded to the extent of 5 per cent. from par.

Suppose now that England were a single standard silver country—how would the metals be quoted in London?

They would be quoted in silver. Had Germany been a single standard gold country and demonetized her gold, replacing it with silver, gold would have been quoted in London at 10 per cent. discount, just as silver has lately been quoted. It could not be otherwise. Silver would appear, in that case, to dominate the gold. But in reality the gold would have fallen 5 per cent. and silver risen 5 per cent.

Suppose, again, that England were a double standard country, and that the same things had occurred with the metals, silver being demonetized in Germany, how would the quotations then be made in the London market?

They would have been quoted in the double standard of England, let us call it the pound sterling.

Would they have been quoted, silver as at 5 per cent. discount, and gold at 5 per cent. premium? No, not in that way.

They each, when severally referred to, would have been quoted, silver as at 10 per cent. discount from par, and gold as at 10 per cent. premium above par. Yet the divergence, *as quoted*, would not be 20 per cent., but only 10 per cent. The price of silver would have been quoted at 18 shillings (18s.)—the price of gold at 22 shillings (22s.)—apparently a divergence from par of 10 per cent., but in reality a concurrent rise and fall of 5 per cent.

Again, suppose England were a silver single standard country, and that Germany and several minor European States had taken exactly the course they have recently pursued in the demonetization of silver, and that silver had been largely thrown on the London market and gold largely exported—how would the metals have been quoted?

Gold, in place of silver, would have been under quotation, and it alone would have been quoted as having risen 10 per cent.—all showing, as plain as words can point out, that in the case which is now causing so much discussion, gold has *risen* as much as silver has *fallen*.

If the United States were to demonetize gold, she would pay her debts in a "bloated" silver dollar—were she to demonetize silver she would pay her debts in a "bloated" gold dollar—if she monetizes both metals, she will pay her debts and undertake all commercial transactions in a true dollar—were she permanently to demonetize both silver and gold, she would permanently impose a public debt *at least* to the extent of the paper currency; and I need not pause to repeat what history tells us on such a point.

It therefore needs no demonstration to show that if the silver dollar now issuing from the American Mints is a dishonest dollar because silver bullion has *fallen* 5 per cent., the gold dollar must be equally dishonest on the score of gold having *risen* 5 per cent.

But the silver dollar now being coined is a most generous dollar. It stands three gold points out of these five above the European ratio between silver and gold. To prevent America recoinng her silver dollar of $412\frac{1}{2}$ grains would most certainly issue in dishonest dollars, and would be a repudiation of contract, on the part of the single standard men, of bonds payable "in coin."

What becomes, then, of all the talk about a "dishonest dollar," or of that financial monstrosity, a "90-cent dollar?"

England has nearly 100 million dollars worth of silver in circulation—does anybody charge England with dishonesty because she has not called in and recoined her silver? France has 300 to 400 million dollars worth of full legal tender silver in circulation—does anybody charge France with dishonesty or tender silver in circulation because she has not called in and recoined her silver repudiation of contracts because she has not called in and recoined her silver out of deference to recent panic prices in the bullion market? Germany itself has still about 200 million legal tender silver thalers in circulation—does anybody charge Germany with dishonesty because she does not instantly call in and recoin that silver? In fact it seems as if Germany thought she had gone far enough in this wild destruction of her silver, for she seems to be hesitating, and it is reported that she is compelled already to seek a public loan to cover

her loss in the demonetized metal. Is it not preposterous, is it not wicked, to single out America and brand her with infamy simply because she is recoining her silver on the old and time-honored ratio, *a fuller ratio than that adopted by any European Government*, 10 to 13 per cent. better than the silver of England, 3 per cent. better than the silver of France?

People of Canada, this silver question is one which greatly concerns you. It affects the security of your commerce, the progress of your manufactures, the prosperity of industry, the happiness and comfort of your homes. The well-being of every man in this Dominion who, by his toil, adds to the national wealth, is bound up in this question. Your Senators at Ottawa, worthy gentlemen, have already sounded the note of alarm. They are in terror lest silver should come into your hands. They hate the 'white, the people's money. They are in more concern about gold that nobody ever sees, and whose circulation never added a dollar's worth to the wealth of the country. The other day, in the Senate Chamber, they took quite a fit of rejoicing that there exists a duty of $17\frac{1}{2}$ per cent. to prevent the bright new *full weighted and full standard* silver dollars crossing our borders. Did anybody ever hear of such infatuation? Money, metallic money, and especially silver, is the one thing needed just now to save this country. You have everything else you need, but money you have not. Canada requires at this moment from 20 to 30 millions of these bright new dollars streaming from the American mints, distributed in the hands of her people in exchange for what they have got to sell. I need not say that your commerce is imperilled—its *ruins* are strewn on every hand. Have these Senators really yet to learn that the universal shrinkage and destruction of either of the precious metals, is a public calamity beyond words to express, resulting in stagnation to all enterprise and industry, ruin more or less to all classes, and fraught with peril to every human interest? The banks can afford hardly any relief adequate to cope with this great depression, for there is not paper enough to discount to keep things going, and the collapse of firm after firm only intensifies the trouble. The presence of metallic money is absolutely necessary to sustain values and prices. *Price* itself has its origin and existence in metallic money. The dribble of debased or subsidiary silver coinage—that combined lie and fraud—in the country, has not the weight of a feather in raising, establishing, or sustaining prices. The United States have commenced to build their values and prices on the broad and firm foundation of the double standard of silver and gold—nature's own foundation, labour's true and indestructible foundation—and the man who doubts that that country will thus mightily strengthen all its resources, has not even begun to enquire into this great monetary question. I warn the people of Canada that with their single standard (if they can be said to have any standard at all) they will not be able to hold their own against their powerful neighbour. The trade with the United States ought to be a very large and valuable one, and mutually profitable. We shall be in the position of a one-legged man wrestling with a two-legged man, and *full priced* America will devour *lean priced* Canada. Silver, the *thing* itself, not a promise to pay money, but the *actual money*, the thing of tangible real value, is about to be offered to you; but our Senators stand up between the people and their money, and declare that it shall not enter our distracted and exhausted land. What have the people to say about it?

WILLIAM BROWN.

A MODERN 'SYMPOSIUM.'

THE SOUL AND FUTURE LIFE.

(Continued.)

The theologians appear to have fallen upon evil days. Like some of old, they are filled with rebuke from all sides. They are bidden to be silent, for their day is over. But some things, like Nature, are hard to get rid of. Expelled, they 'recur' swiftly. Foremost among these is theology. It seems as if nothing could long restrain man from this, the loftiest exercise of his powers. The theologians and the Comtists have met in the sense which Mr. Huxley justly indicates; he is himself working at the foundations of a larger, nobler, and more complete theology. But for the present, theology suffers affliction, and the theologians have in no small measure themselves to thank for it. The protest rises from all sides, clear and strong, against the narrow, formal, and, in these last days, selfish system of thought and expectation, which they have presented as their kingdom of Heaven to the world.

I never read Mr. Harrison's brilliant essays, full as they always are of high aspiration and of stimulus to noble endeavour, without finding the judgment which I cannot but pass in my own mind on his unbeliefs and denials, largely tempered by thankfulness. I rejoice in the passionate earnestness with which he lifts the hearts of his readers to ideals which it seems to me that Christianity—that Christianity which as a living force in the Apostles' days turned the world upside down, that is, right side up, with its face towards heaven and God—alone can realise for man.

I recall a noble passage written by Mr. Harrison some years ago. 'A religion of action, a religion of social duty, devotion to an intelligible and sensible Head, a real sense of incorporation with a living and controlling force, the deliberate effort to serve an immortal Humanity—this, and this alone, can absorb the musings and the cravings of the spiritual man.*' It seems to me that it would be difficult for any one to set forth in more weighty and eloquent words the kind of object which Christianity proposes, and the kind of help towards the attainment of the object which the Incarnation affords. And in the matter now under debate, behind the stern denunciation of the selfish striving towards a personal immortality which Mr. Harrison utters with his accustomed force, there seems to lie not only a yearning for, but a definite vision of, an immortality which shall not be selfish, but largely fruitful to public good. It is true that, as has been forcibly pointed out, the form which it wears is utterly vain and illusory, and wholly incapable, one would think, of accounting for the enthusiastic eagerness with which it appears to be sought. May not the eagerness be really kindled by a larger and more far-reaching vision—the Christian vision, which has become obscured to so many faithful servants of

* *Fortnightly Review*, vol. xii. p. 529.