

CONTENTS

XV

SECTION	PAGE
252. How Lessened Demand for Money Causes Rise in Prices	213
253. Effect of National Bank Notes	213
254. Bank Notes and Checks Differentiated	214
255. Effect of Government Credit Money	215
256. Credit and Speculation	216
257. How Speculation May Be Both Cause and Effect of a Rise in Prices	216
258. Defect of our Currency System	217

CHAPTER XIV.

GOVERNMENT CREDIT CURRENCY.

259. Classification of Government Credit Currency . . .	220
260. Fiat Money Defined	220
261. Factors Determining the Value of Credit Money . .	221
262. Risk in Free Use of Credit Money	222
263. Regulation of Credit Money	222
264. Devices to Maintain Value of Credit Money . . .	224
265. Government Credit not "Ideal Money"	224
266. Difficulties of Adjusting Supply	225
267. Prejudices Against Government Credit Money Before 1861	226
268. Financing the Civil War	226
269. Disadvantage of Government Debt	227
270. Government Debt	228
271. Demand Debts a Weakness	229
272. Provisions for Retiring Debt	230

CHAPTER XV.

ECONOMIC FUNCTION OF THE BANK.

273. Productive Industries Classified	231
274. Recapitulation of Fundamental Principles . . .	232
275. Credit	233
276. Bank a Dealer in Credits	233
277. Banks Supply a Medium of Exchange	235
278. Banking is a Quasi-Public Function	235
279. The Bank a Distributor of Capital	236
280. Banking Principle	237