

Mutual Reserve? In the former event, it clearly follows that as far as the members of the P.P.I. are concerned, it is a case of "out of the frying-pan into the fire."

The members of the P.P.I. are being led to believe, we understand, that they are under the same arrangement of low rates, etc., with the Mutual Reserve as they had with the P.P.I., which is a mistake. The cancellation clause of the Mutual Reserve is by no means so liberal as that of the P.P.I., which offers \$1,500 on permanent disability, and \$1,500 more at death. It is very significant that Condition No. 27, printed on the back of a policy or certificate of membership of 1889, reads after this wise: "That unless the member to whom this certificate is issued

FIFTY YEARS OF FINANCIAL HISTORY.

A very interesting and instructive paper on money and prices has been compiled by an American writer from the Senate Finance Committee's report of 1893 on prices and wages. It shows the relation of money and prices to gold and silver production in the United States, and the diagram which accompanies the article demonstrates how the curve of wages follows prices. The author of the paper is Mr. Alfred H. Cowles, and the diagram illustrating it is reproduced from the *Buffalo Express* of Saturday last.

In the accompanying chart the lines graphically show various conditions and relations from 1840 to 1895, as follows:

Line No. 1—The fluctuations of the yearly average value of the 371½ grains of pure silver in the silver dollar measured in gold.

Line No. 2—The relative average yearly prices of 68.6 per cent. of all the articles used by an average American family, they having been

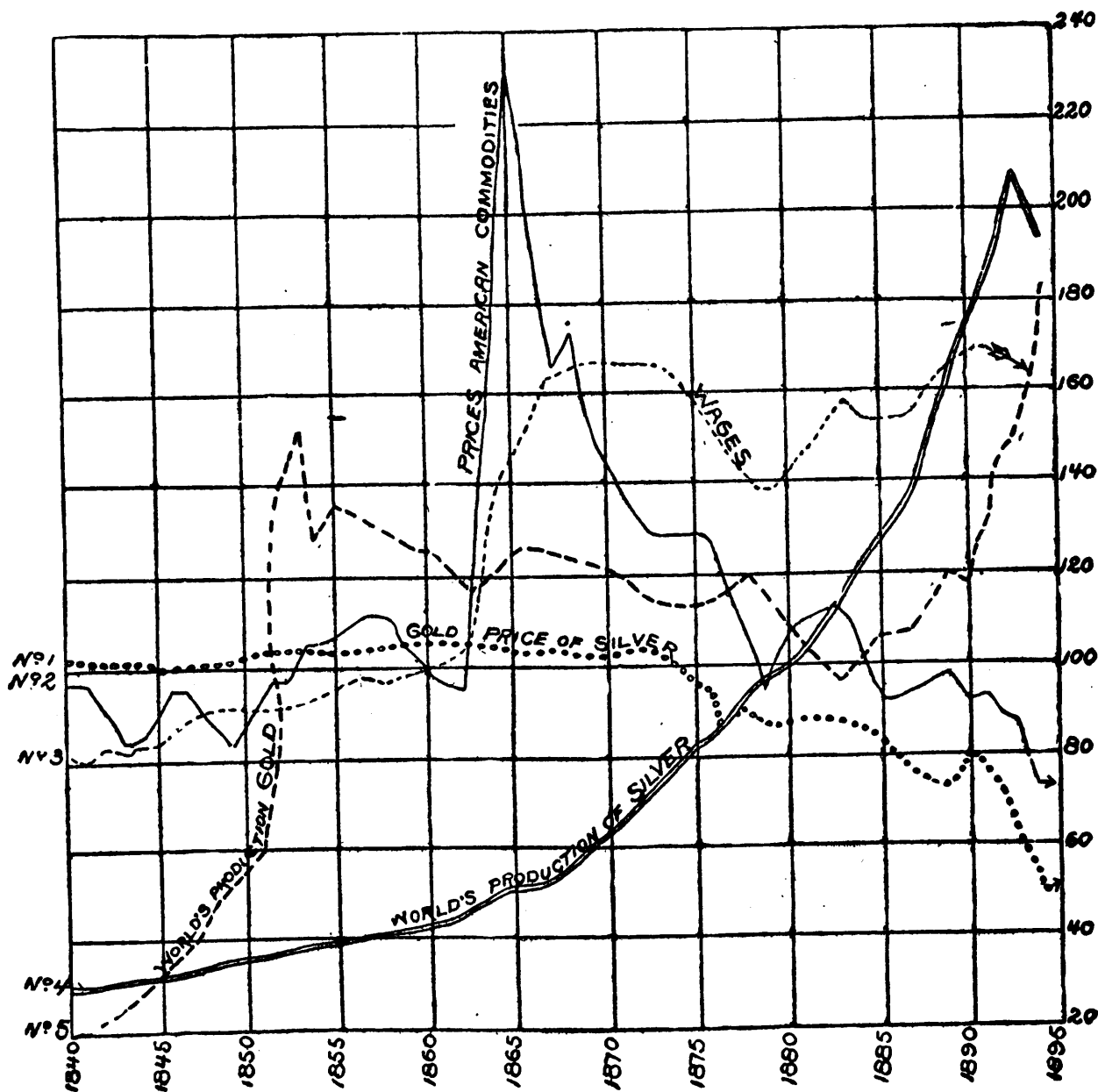


DIAGRAM ILLUSTRATING THE FINANCIAL HISTORY OF THE LAST FIFTY YEARS.

shall comply with all the laws, rules or regulations that may be in force at the date of this certificate, or that may be hereafter enacted by the Institution, this certificate shall be null and void."

Conceived in ignorance, founded upon erroneous assumptions, adapted to catch the innocent and the avaricious, propagated by misrepresentation, and living temporarily upon the cupidity of its votaries or victims, the assessment system defies all mathematics, rejects all actuarial skill, and sets at nought all principles of sound finance. Institutions founded upon the assessment plan must continue to fail while the unalterable law of equivalents remain.

averaged according to the importance of the commodities and measured by United States currency of the respective years. The data from which this curve was platted were obtained from the Senate Finance Committee's report on prices and wages, of March 3, 1893. The years 1892, 1893 and 1894 are based upon the average yearly prices of wheat, corn, anthracite and bituminous coal, pig iron, bar iron, hay, pork, sugar and flour.

Line No. 3—The relative American wages in all occupations from 1840 to 1891, based upon United States currency, and averaged in accordance with the importance of the different occupations—Senate Finance Committee report on prices and wages, 1893.

Line No. 4—The variations in the world's yearly production of silver measured in units of 1,000,000 silver dollars each, thus, in 1893 the world's production was \$208,000,000. This line is proportional to the yearly production in weight of silver, as each silver dollar contains 371½ grains of pure silver. Data from "The Mineral Resources of the United States," and, for 1894, from magazine reports.