

Then there have been causes which have been general in their operation. Prices are the result of an equation of which commodities and gold are the two factors, an increase in the former relative to the latter means a lowering of price; an increase in the latter relative to the former, an increase of price. That the supply of gold has vastly increased is a matter of statistical record, that its increase relatively has been so considerable as to effect prices is the belief of many leading economists, among the number such eminent authorities as Professor Taussig of Harvard, Professor Fisher, of Yale and Professor J.B. Clark of Columbia. But this is a cause which sooner or later--

[Get figures on increased gold supply]
comes to effect all countries alike, ^{See Vol. 4 p. 13/2} for the flow of the precious metals is such that though invisible and imperceptible enough they gradually tend to find their level in all parts of the world. This cause may account for relative increases over periods of time, but the causes which account for differences in actual prices in different countries are necessarily of a different nature.

And that brings us to another group of causes which have also operated in part, those namely that have to do with the main factors of production of which land and labour are the chief. If we take land in the broad sense of the term