

it may be composed, is *money*. By means of it, two persons who do not deal together mutually as producer and consumer are enabled to enter into transactions. B accepts it from the butcher for his cattle, and with it purchases from A and C such flour and clothing as he requires. A employs it to get from C the coveted suit of clothes, and C to get his bread from the baker, who again passes it over to A for flour. A buys the farmers' wheat with it, and from the farmer it finds its way to the baker, butcher, tailor, &c., enabling a ceaseless round of exchanges to be made, and that, too, without loss of time.

Besides being a medium of exchange, money serves a second very necessary purpose, for, just as units of length and capacity are requisite for measuring distance and volume, so some unit of value must be agreed upon before an interchange of the products of different localities can be effected, even when barter has to be resorted to. The merchants who trade between different countries, even though they exchange goods against goods, must estimate what they sell and what they buy by some common measure of value. A and the baker will have widely different opinions as to the number of loaves of bread that should be given for a hundred weight of flour. C and A may wrangle hopelessly over the number of loaves to be exchanged for the suit of clothes, and so on until some object is agreed upon in common as a standard of value, by reference to which each person may fix the price of what he has to sell.

But, while money thus furnishes both a medium of exchange and a measure of value, there is an important distinction to be observed in the method of using it in the two cases. In the former, it is a real object of value, and is, in reality, one of the commodities exchanged, while, in the latter, it takes no part in the transaction further than to serve as a standard for ascertaining the relative values of the goods bartered.

In the former case, it may be said to simplify barter by furnishing an object of such intrinsic value and utility that it can be exchanged against any other article whatever, and that, too, without loss of time. In the latter, the particular unit of value fixed upon may have no actual existence. The pound sterling is a good example of this. It is used in England as the common measure of individual, and even of the national, indebtedness, although, in itself, merely a symbol, and not a physical object. The same is true to nearly as great an extent in regard to our own dollar. We estimate value in dollars—articles cost so many dollars. Canada owes a vast number of dollars, and yet we have no such coin. We have silver pieces whose aggregate value is one dollar. We have slips of paper containing promises to pay a dollar on demand, but no dollar exists. Both the dollar and the pound serve, in fact, as units by which the value of money itself, as an article of commerce, can be measured. Thus, 440 oz., troy, of pure gold are estimated as worth £1,869 sterling, and our dollar is such that any article worth £15 is also worth \$73. Money may be regarded in still a third light, namely, as a pledge which the purchaser of an article leaves with the seller when he gives him no merchandise in exchange. If this pledge consists of some substance such as gold or silver, whose intrinsic value even as merchandise is fully equal to that for which it is pledged, then the transaction may be looked upon as an interchange of commodities, each giving the other a full equivalent for what he receives. But when the pledge is a bank note, note of hand, bill of exchange, &c., itself, possessing no intrinsic value, but being merely an acknowledgment of a debt, the seller receives what may or may not be a full equivalent for his goods, according as the debt which the pledge represents will or will not be discharged. Money is generally one or both of those metals which are called precious, for the following reasons:

1. The comparative
2. The quantity of product
3. The ordinary value can be wear or
4. The division of value, so are worth large pieces
5. The structure of these other ob- nence ci- sent tim- both of t- is very fa- been the- has been- and me- used in /- ica, cott- Eastern- for many- in Benga- After- commenc- the coast- found to- This con- one whit- periwinkl- made out- shell. Th- and polis- and arran- jewelry- used by- money, a- regarded c- white. Th- the colon- change w- amongst- legal tende- custom, be- a fathom-