

characterizes the financial world." The society has distributed, in one year, as high as 1,200,000 francs in such prizes.

According to Mr. Tooke, the following is the *modus operandi* of issuing and repaying the *obligations foncières* :—

The society has issued its obligations, or bonds or debenture, for 1,000, 500, and 100 francs, bearing interest, say at 3 per cent, and repayable, according to the lottery drawings, at the rate of 1,200, 600, and 120 francs; that is, they are repayable at uncertain times, but at a premium of 20 per cent.

The lottery drawings take place four times a year, March, July, September, and December. A very ingenious system of numbers is employed, and the 1,000 franc bond, first drawn, carries away a prize of 100,000 francs, over and above the 1,200 francs at which it is repayable. The second bond drawn 50,000 francs; the third 40,000 francs, and so on to the fourteenth number. The prizes attached to Nos. 9 to 14 are 500 francs each; and contrivances are employed for allowing the bonds of 500 and 100 francs to obtain rateable prizes.

So far as the *Crédit Foncier* is merely an institution, designed to benefit the agricultural classes, and to effect loans on agricultural property, with more facility and on greater security, the idea is one calculated to produce considerable benefit. But the society is marred and disfigured by the exceptional measures taken to draw deposits towards it, to emit its obligations, and to provide for their reimbursement by lottery drawings. It is marked by that extraordinary desire now perceptible in such a powerful degree in France, to reduce into active circulation, various kinds of values, and it is subject to the speculative operations of the players on the stock exchange. As long as the operations of the *Crédit Foncier* are confined strictly to the issuing of its obligations in exchange for hypothecations of real property, barring the evil features of the lotteries, the objects it may accomplish are, without doubt, of a beneficial character, and are attended, without any danger to the community, as long as they are not invested with a compulsory circulation. But between the system of their issue and that of the Assignats, says M. Proudhon, there is but a step. The national domain was pledged for the security of the Assignats, they had a forced circulation, and soon hopelessly depreciated. It is not at all probable, however, that there should be any turn of events in France, at the present day, which would induce the taking of that step. Considered from an elevated and impartial point of view, therefore, we do not see why an institution, like the *Crédit Foncier*, always looked upon in its most simple aspects, and removed, as far as possible, from the atmosphere of the Bourse, may not accomplish a good purpose. We cannot agree, therefore, with all the strictures of M. Proudhon with regard to this society. He says, that in his view, a bank of circulation and discount, appropriated to agriculture, would be much more efficacious than the *Crédit Foncier*. From what has been already said in the early part of this description, it is clear that such a bank is totally inapplicable for the use of agriculture, and it is needless to point out the distinctive qualities again. Nevertheless, we must confess that the system of lotteries, which enters so largely in the operations of the *Crédit Foncier*, must have a tendency to destroy the efficacy of the system, and cannot be defended on any reasonably stable grounds.