

In his last article Mr. Harkness says: "The real question at issue is whether the quantity of money available for the purchase of goods and the payment of debts has any effect on its value as money or on the price of commodities. I wrote four columns for the purpose of showing that it has, and Mr. Jemmett used eight in an effort to controvert this conclusion, and yet says that he has not even alluded to the quantitative theory of money."

I am of course unable to say for what purpose Mr. Harkness wrote his four columns, but I emphatically protest against the assertion that I used eight columns in an effort to controvert that theory.

In my first article I tried to show from statistics that there was no scarcity of gold, and that it had not appreciated in value.

In the second I gave statistics which tended to prove that the decline in the value of silver as compared with that of gold had been caused, in the main, by an immensely increased production obtained at less cost.

The third was an attempt to find an explanation of the fall in prices in modern conditions of production.

From beginning to end of these three articles there is not a sentence which questions or even refers to the quantitative theory of money. It is very likely that some of the statistics I gave would throw some doubt on the soundness of that theory, but I certainly did not use them for that purpose.

Mr. Harkness claimed that the fact that in 1850 there were 62 cents of coined money for each dollar's worth of foreign trade, whilst in 1890 there were only 41 cents, was a strong confirmation of the contention that the degradation of silver had relatively reduced the quantity of money and raised its exchangeable value (i.e., had reduced prices).

In reply to this I gave the following figures:

	Money per dollar of goods.	Price level (Sauerbeck's).
1850.....	62 cents.....	77
1884.....	40 ".....	76
1890.....	41 ".....	72

and I said: "According to the theory propounded by Mr. Harkness, prices in 1884 should have been about two thirds of what they were in 1850, whereas they were practically the same. By 1890 they should have risen a point or two, but they actually fell four points." Mr. Harkness rejoins (5th June): "There would have been some point to this had Sauerbeck's figures been for all, or even a considerable number, of these twelve countries\*; but they were for England alone, and, as all the world knows, there were special reasons why prices should be low there in 1850. Until near that time English prices of most of the commodities enumerated were stimulated by high protective duties, but the adoption of Free Trade, and other efforts that had been put forth to make England a "cheap country to live in," had brought down prices there, and proportionately raised them in the other countries named. Since then there has been no material change in the fiscal policy of Great Britain and Sauerbeck's tables may be taken as fairly indicative of the trend of prices throughout the world."

As a reason for objecting to Mr. Sauerbeck's figures for 1850, whilst accepting them after that date, this is decidedly interesting. The fact that Great Britain adopted Free Trade before 1850, and that she has made no material change in her fiscal policy since, would, I should imagine, give to her price levels an authority which could not be attributed to those of any other country. For where prices are complicated by high tariffs and by changes in tariffs, it is evident that a large part of their usefulness as data from which to draw valid conclusions is gone.

But though Mr. Harkness objects to English price tables, he does not submit any others.

So far as I know, the only other countries for which complete statistics for the period under discussion are available are Germany (Dr. Soetbeer's figures) and the United States. Tables for these countries will be found in the United States' Senate Report, No. 1394, 3rd March, 1893 (Vol. I., pages 100, 293, 294). While they differ in some respects from the English tables, as is inevitable under different fiscal systems, they do not support Mr. Harkness' theory.

\* The countries to which the figures for coin and commerce refer.

Mr. Harkness still appears to think that the proposition "a universal fall in values is impossible" proves the appreciation of gold to the extent of 66 $\frac{2}{3}$  per cent.

He is still confusing "value" and "price," and it is not necessary for me to add anything to what I said on 15th May.

F. G. JEMMETT.

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### Party Spirit and Friendship.

"The friends thou hast, and their adoption tried,  
Grapple them to thy soul with hooks of steel."

SUCH was the advice of old Polonius to his son, Laertes. Of all the bonds that knit kindred souls together, friendship is the commonest. Who has not a friend? Who has a true friend?

Parental and filial affection, and conjugal love, be they ever so perfect, are of their very nature too unequal or too restrictive to wholly engage the heart of man. Friendship, on the other hand, is based upon equality either real or assumed—perfect friendship upon perfect equality for: it is this equality alone that can raise it above self-interest and the sordid motives that like pernicious weeds smother and destroy this God-given flower. College friendships are proverbially strong and enduring, and they are formed under conditions of equality. Fair and goodly is friendship's bark and happy the freighted hearts within it; but the rocks and shoals upon which it may founder are so many and so treacherous that few comparatively reach the dim and distinct haven, which is the limit of human existence.

One who had many friends, lost some and retained not a few, will afford as good an example as need be of a true friend.

Addison, in *The Spectator*, heads his speculation on "Friendship" with a line from Ovid,

"Nos duo turba sumus"  
(We two are a multitude),

and proceeds to show that the fulness and worth of a conversation is in inverse proportion to the number of people who take part in it; "but the most open, instructive, and unreserved discourse," he says, "is that which passes between two persons who are familiar and intimate friends."

After quoting delightfully from Cicero, Lord Bacon and the "Son of Sirach," and enumerating their qualifications of a good friend, as constancy, faithfulness, virtue, knowledge, discretion, equality in age and fortune, he adds that there should be a certain "equability or evenness of behaviour."

It is remarkable, however, that, in dealing with the causes of breaches and violations of friendship, such as self-interest, adversity, fault-finding, pride, disclosing of secrets and ill-humour, he does not include party-spirit, the most potent demon of the discord which arose between him and his two friends, Steele and Swift. Experience is a stern but true teacher, and in all probability, when *Spectator* No. 68 was published, the spirit of faction had not appeared upon the scene as the arch-destroyer of any of his amicable attachments.

Just now, when party spirit is raging throughout this otherwise peaceful land, it may be interesting and instructive to set forth in brief the pernicious influence which this same spirit exercised upon these two notable friendships of Addison, which make up such a fascinating chapter in literary history.

Swift cursed the "business of party" because it had wrought mischief between two friends. "Damn friendship," say the ardent politicians, "give us office and—the state treasury—if there be any."

But when office is secured, and these same ardent patriots in cooler moments are exchanging regards across the floor of the Commons, when they review these few weeks of madness and unbridled speech, and reckon up the havoc so wrought in the peace of the lives of worthy and honourable men by petty meannesses, lying, trickery, misrepresentation, lampooning, the besmirching of fair fame, hatred and revengeful feeling, one wonders if they will feel nobler and better men, and if the electorate will have that respect and confidence in many of the returned legislators which should be in them reposed. Is it possible that an intelligent people can trust for honesty, sincerity and justice those who have dis-