

c. Had the early banking methods been retained, and improved from time to time, there would now exist in the United States many large banking institutions with branches, creating an automatic flow of loanable capital from the points where bank deposits accumulate to the points where loans are most required. There would also exist a paper currency issued only by banks, redeemable in gold, and capable of just the measure of expansion and contraction in the volume necessary for the comfort of trade. With an equitable rate of interest to the borrower, and a suitable and elastic currency, the silver-miners could never have caught the ear of the discontented.

d. The history of banking in Canada shows that a country may have a paper currency supported by a very slight percentage of gold, provided the other reasons for its issuance are sound. During the seventy-five years of its existence, except for a few months in a time of rebellion (1837), the bank-note currency of Canada has always been redeemable in gold. With a sound and elastic currency, and a banking system which ensures an equitable rate for borrowed money, Canada naturally has practically no public discussion on the question of bimetallism except in the case of the few who imagine that they find a connection between the general fall in prices and the so-called demonetization of silver.

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