in Annam. Little hoes took the place of real hoes and became true money.

Hand made nails once circulated as money in some Scotch villages. Some of the other money articles that may perhaps belong to this stage are cotton cloth, straw hats, cubes of salt, tea, beeswax, knives, and silk cloth. It was probably in this stage that the precious metals began to be measured and weighed more accurately and to be cast into standard forms.

COMMERCIAL STAGE.

1. *Internal Trade.*—When men began to live in cities, to have regular markets where products were exchanged, and to be shopkeepers or merchants and professional traders, there was a great need of a more exact and scientific money such as could be supplied only by the metals. These began to be cast or stamped into the regular forms, sizes, or weights. Bronze bars and stamped bronze pieces were used in Greece and Italy. These bronze pieces show the evolution from cattle money to stamped metallic money. Weights in the form of sheep indicate that sheep were in Biblical times the unit of value in Palestine.

Iron was used as money in Sparta. Pieces of bent iron ready for the blacksmith pass as money in west Africa and elsewhere.

"Cash" or "sapeks" or "le" is the only native coin and the legal tender of China as well as the principal money of small accounts. Cash consists of round disks of a kind of brass with a square hole in the centre. The evolution of cash is interesting. About 200 B.C. the Chinese were still using a bronze currency representing knives 5 2-5 inches long, with a hole in one end of the handle. By 500 A.D. the knives were 7 1-5 inches long and the hole or ring was larger. Later the handle disappeared and the ring was attached to the blade, which was increased in thickness to give the same weight as formerly. Still later the blade was gotten rid of and the ring was pierced with a square hole for the string. Thus transformed, the original and cumbersome knife money became a comparatively convenient currency, though the value has depreciated greatly, partly because of reduced sizes and inferior quality of metal used.

Cash is the basis of all price computations in China. Considerable sums may be paid in gold or silver, but they are treated as merchandise and are bought and sold by weight without a government stamp to guarantee weight and fineness.

2. *International Trade.* — When trade became international, there was still greater need for the most accurate and reliable counters of value possible. Real coinage began when governments first guaranteed weight and fineness with an official stamp. A great part of this immense gain to commerce and civilization was lost when after a while monarchs began to abuse this coinage privilege and to break faith with their subjects by stamping light weight or otherwise debased coins as genuine. Such coins would continue in use, but would soon depreciate in value.

Gold was coined in Rome in 206 B.C.

The gold solidus weighed four scruples from 312 A.D. to 1453 and formed the basis of more modern European coins. The florin, coined in Florence in the fourteenth century, was the first regular coin of western Europe.

It soon became the recognized unit of value in commerce and was replaced only by the English sovereign, which has since remained the standard unit of value for international trade.

The commercial world has chosen gold as money because all things con-