

PREFACE.

We cannot shut our eyes to the fact that a large section of the Canadian public are inclined to discuss the whole subject of currency *de novo*—to challenge existing systems, and to question propositions hitherto undoubted. Interest is added to the discussion by the fact that certain bank charters are about to expire, and by the proposal of the government to increase the circulation of Dominion notes. Under these circumstances, an addition to the literature of the question needs no apology for its appearance, though it can only become "current" by favor of the public.

I cannot pretend, at this time of day, to write anything both novel and sound on this subject. It has been my object to present a few leading principles and arguments in a convenient form, and to apply them to the solution of some problems now under discussion. It is unnecessary to consider all possible theories. When people see clearly that there is no mystery about currency, except such as has been created by those who claim to expound it, they will be able to judge new propositions, as they arise, by common sense reasoning from first principles.

The discussion of some of these "first principles" is embarrassing, from their very elementary character. They resemble Euclid's axioms in so far that they can only be proved by stating them. If a man does not admit at once that "the whole is greater than a part," no logic will convince him. The same is true of some elementary truths about currency. One can only explain their meaning—and may then be charged with repeating