

are the ideal chains for Canadian roads in both rainy and Winter weather.

Your car has more life and power. You have more ease and confidence at the steering wheel. You can go any place in all kinds of weather when equipped with Dreadnaught Chains.

**MADE
IN
CANADA**

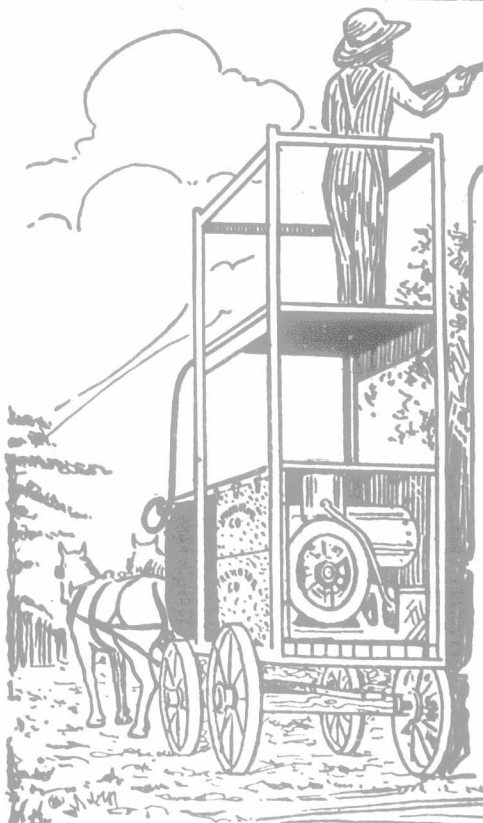
Constructed of electrically welded, case hardened cross sections, rust proof rim chain, and long lever fastener, Dreadnaught is the *Master Chain*. Imitations lack Dreadnaught quality.

The "Just as Good" argument will not do for the experienced motorist who knows. Insist on genuine Dreadnaught Chains.

McKinnon-Columbus Chain Ltd.
St. Catharines, Ontario

**DON'T FEED PROFITS
TO THE WORMS**

**BIGGER CROPS
BETTER CROPS**



A Letter for You

"Poltimore, Que., Jan. 5th, 1920
I have had good results from my Spramotor. I have used one of your machines for 3 years and it never cost me a nickel for repairs. I plant about 4 acres of potatoes every year. It pays to have one of them. It is the only machine I ever saw that will give satisfaction. It only takes one-quarter of the Paris Green, and I never burnt the potatoes as we did before in the old way. I have also done white-washing, and I find it works first-class. I could not be without one."
"AUGUST MILLER."

YOU CAN'T help getting better crops of potatoes, row crops, fruits, etc., if you have a Spramotor to help you defeat pests, bugs, worms, blight, rot, fungus, etc.

The Spramotor has been 25 years on the market and is winner of over 100 Gold Medals and First Awards in competition with the world.

FREE Write for our Crop Disease Booklet, giving Government reports, formulae and information.

Spramotor

It isn't a SPRAMOTOR unless we made it. SPRAMOTOR CO., 3, 18 King St., London, Can.

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the place of the yellow metal our traders, manufacturers and farmers used paper money—a form of credit—and cheques against bank deposits. That is, business was conducted almost altogether by means of credit instruments, and in very slight degree by hard money metals, such as silver and especially gold—the standard of value. What was true of domestic trade was equally true of international business; gold was utilized there only when all other methods of settling balances failed. In the autumn, after heavy shipments of wheat and cotton had been forwarded to the United Kingdom, drafts drawn against British buyers of Canadian and American produce would be offered for sale in New York. On the other hand, Canadian and American importers who had purchased British goods, would be in the "market" to buy such drafts, wherewith to pay the debts they owed in Great Britain. Obviously, the holders of drafts against British banks would not sell them too low; rather than allow the price to fall below a certain point they would import the face value of the draft, in actual gold from England. The buyers of draft, would refuse to pay more than a certain price for a draft; rather than go higher they would incur the expense of shipping the gold to the United Kingdom to discharge their obligations there. These upper and lower limits were known as the "gold points." The value of a draft (a bill of exchange) placed upon sale in New York, and calling for the payment of a pound sterling in London, could not, therefore, depart very widely from the par value of the British sovereign in terms of dollars—\$4.86—or otherwise the actual gold would be imported by creditors, or exported by debtors. Gold would be imported when a draft calling for the payment of sterling fell in value to \$4.84; gold would be exported by those who owed money to Great Britain when they were asked more than \$4.88 for sterling exchange. That is to say, the actual shipment of the yellow metal took place only as a last recourse—when drafts, or bills of exchange, were either too cheap from the seller's point of view, or too dear from the buyer's standpoint. In this connection, it may be remarked that the cost of shipping \$1,000 in gold from Montreal to New York, and vice versa, was 70c.; and this prevented exchange fluctuating above or below that figure to any extent, where large sums were involved.

It should be kept in mind that exchange is a commodity, just as wheat, iron and cotton are commodities; and that when too much of the exchange commodity, in relation to the demand, is offered it will fall in price just as any other commodity, under the same conditions, will fall in value. There is this difference, however, between exchange and other things offered for sale—in normal times it cannot fall below, or rise higher, than a certain figure, because of the ability to make use of gold. The yellow metal, therefore, was not utilized to settle international accounts, but merely to settle the balance of debits and credits, as between the nations. With the outbreak of war, and the consequent inability of the various nations to follow the normal course of trade, goods could not be exchanged for goods; debit balances piled up against the European nations, and it became a sheer impossibility to liquidate their obligations by payment either in goods or gold. Drafts or bills of exchange against them became plentiful; and the demand for them fell off, inasmuch as their exports to this Continent fell away. This is the meaning of the sensational decline in the value of the pound sterling in New York—once the premier security of the world.

As exchange between Canada and the United States is bound up with fluctuations in sterling exchange, as will shortly be shown, it is essential to make clearer than has been done the reasons why sterling money has fallen to such a heavy discount in New York. At the outbreak of hostilities the United States was indebted to Great Britain for a sum amounting to approximately \$4,500,000,000. This vast amount of capital was invested in railroads, factories, mines and farm lands. In addition, the merchant marine of the United Kingdom carried a great part of American exports sent overseas; and there was heavy charges payable to Great Britain on this and other accounts. Normally the United States paid interest and other tolls to the