ard, practically during the whole period of suspension. As to private indebtedness, it has been a matter of speculation during the fifteen years of suspension, and the inconvenience and loss has long since been incurred. People who borrowed in greenbacks, or in notes redeemable in greenbacks, knew that they would have to pay in the same currency, and had no reason to doubt that such currency would be redeemed at some time. The audacity of the *Graphic* in placing the national debt in the list of debts contracted when gold was at a premium of from 150 to 230 per cent. has never been exceeded. The fact is, the silver advocates desire to perpetrate a huge fraud, and the only consolation is that if they succeed they will utterly destroy the national credit and proclaim themselves a nation of swindlers. This the House of Representatives has already done, and there seems to be some doubt whether the Government, which, so far as we can judge, entertains thoroughly sound views on the subject, will be able to preserve the honor of the nation.

THE NORTH AMERICAN REVIEW.

The November-December number of this excellent periodical has reached us, and, as usual, contains a number of interesting articles. The first is a series of essays, five in number, on the resumption of specie payments, by Hugh McCulloch, Judge Kelley, David A. Wells, General Ewing, Joseph S. Ropes, and, to wind up, a criticism on the whole by Secretary Sherman. The papers of Judge Kelley and General Ewing are what might be expected from the authors, and are in strong opposition to resumption, not only at the time fixed, but at all. Judge Kelley attempts to frighten the banks by suggesting the possibility of their being called on to meet all their deposits and circulation in coin whenever the Resumption Act comes into force. Now, nothing is more certain than that, as regards the National Banks, the tendency of resumption will be favorable rather than injurious to them. Their liabilities consist of their circulation and deposits, and they are presumed to hold adequate reserves to meet these liabilities. There is no bank in the United States, nor, indeed, anywhere else, that could meet a sudden demand for all its deposits and all its circulation, nor is there the least reason to imagine that after resumption such demands will be any greater than they are at present. The bulk of the National Bank reserves are held in legal tenders, and, when resumption takes place, these legal tenders will be convertible into coin. The National Banks will continue after resumption to pay legal tenders just as they do at present. But it is argued that the legal tenders will be converted into coin, and that this will cause contraction, and consequent tightness. A greater mistake it would be difficult to make. We admit that it is impossible to form anything like a correct estimate of the national circulation so long as the legal tenders are inconvertible, still we cannot agree with Mr. Ropes that there is not "the shadow of a rational argument" to support the supposition of what is likely to be the volume of currency after resumption. It seems almost impossible that, if the currency was so redundant as Mr. Ropes imagines, it could be so nearly on a par with gold. Mr. Ropes seems to think that from $300,000,000 to $400,000,000 would be the maxium circulation on a specie basis. It is however quite evident that Mr Ropes contemplated the entire withdrawal of the legal tenders, which certainly is not advocated by the most intelligent supporters of resumption. It is not an extravagant estimate in view of the amount that will be required for the bank reserves of all the National and States Banks to calculate on a legal tender circulation of from $125,000,000 to $150,000,000. The National Bank circulation is at present above $300,000,000. The intention of Mr. Sherman is to reduce the legal tenders to $300,000,000, and we have, therefore, a margin of about $150,000,000 to deal with. We are willing to admit with Mr. Ropes that it is hardly possible to calculate on the amount of currency which the public will require, but one thing is beyond doubt, that no greater amount will remain in circulation than what is really wanted. If the circulation is largely in excess of the public requirements, the result will be that the government will have to sell bonds to the extent of some $150,000,000, but if, on the other hand, the circulation is not more in excess than the $50,000,000 which Mr. Sherman proposes to redeem, then one of two things will happen, either the legal tenders will remain in circulation or National bank notes will be substituted for them, and in that case the new issues of National notes will create a demand for United States bonds sufficient to furnish the means of redeeming the legal tenders. Mr. McCulloch is a strong opponent of the retention of legal tenders, and proposes to fix a time when they shall cease to be so. He seems to believe that the circulation is very redundant, and, like Mr. Ropes, he is favorable to a scheme which, theoretically, is sound, viz.: the funding of the legal tenders. Mr. Wells has not gone much into detail, but he emphatically declares that the Resumption Act cannot be paltered with, and that all notes not paid on demand after 1st January, 1879, should bear interest.

Mr. Secretary Sherman's paper is eminently practical. He dismisses Mr. McCulloch and Mr. Ropes, by pronouncing their papers well written, and stating that "with many of their ideas I heartily agree." He proceeds to point out that Congress has decided against their plan of funding. What is the use he adds, "of wasting ammunition on this?" Mr. Sherman advises these gentlemen, if they think they can promote such a measure, "to get into Congress as soon as possible to help." We confess that, after reading Mr. Sherman's paper, we have arrived at the conclusion that the wisest course for all favorable to resumption is to strengthen the hands of the Secretary of the Treasury by all the means in their power. With regard to the papers of the inflationists, Mr. Sherman says:—"My only "reply to these gentlemen would be "that the distresses they complain of "were the direct, certain, and unavoidable result of the very policy of inflation "which they favor, and that it would be "just as idle now to keep up this inflation "with the hope of prosperity, as it would "be to advise a drunkard to keep on "drinking in the hope of reform." Mr. Sherman is much sounder than any of the hard money advocates on the resumption question. We were particularly glad to notice the following passage in his paper: "Thus General Ewing insists "that resumption means the entire extinction of the greenback circulation. "No doubt many persons are in favor of "withdrawing these notes or repealing "their legal tender quality, but this is a "question properly for the future, my "own conviction being that, under existing law, after they are reduced to $300,000,000 and have been redeemed, "they may be re-issued, and that the "National bank currency shall be used "simply to meet the ebb and flow indispensable to every good currency." Secretary Sherman is eminently practical in all his views. He points out that if silver were to be coined without limit "it is the substitution of a single silver standard instead of the gold standard." He might have gone much further and pointed out that the practical effect of remonetizing silver in the United States would be to enable Germany to get rid of a large quantity of silver which is at present unsaleable, and which France, Belgium, Switzerland and Italy have combined to prevent being thrown on their