

CONTENTS

xi

CHAPTER VIII.

THEORY OF PRICES.

SECTION	PAGE
121. "Short" Sales of Money	95
122. "Squeezing the Shorts"	95
123. Forced Selling	96
124. People Becoming Better Educated	96
125. General Price Level	97
126. Price Tables	97
127. Many Commodities	97
128. Example of Price Table	98
129. "Weighting" of Price Tables	99
130. Advantages of Weighting	100
131. Falkner Price Table	100
132. High Prices During the Civil War	104
133. Foreign Price Tables	106
134. Economic Forces to be Observed	107
135. Saving and Investing	109

CHAPTER IX.

DOMESTIC AND FOREIGN EXCHANGE.

136. Relation Between Foreign and Domestic Exchange	112
137. Payments by Means of Credit Balances	112
138. Function of the Bank in Making Payments	113
139. Payments at a Distance	113
140. Exchange on New York	114
141. How the Banks Handle New York Exchange	115
142. Settlement of Accounts Between Banks	116
143. Cost of Currency Shipments	117
144. Settlements Through the Sub-treasuries	117
145. Rate of New York Exchange	118
146. Significance of Rates of Domestic Exchange	119
147. The Clearing House Principle	121
148. Settling Balances by Use of Credit	122
149. Gold the International Medium	122
150. Function of the Dealer in Foreign Exchange	123
151. Example of Foreign Exchange	123
152. Why Bankers are Willing to Purchase Foreign Drafts	124
153. Progress of Draft	125