1870 and the present time, and yet prices increased vastly in the former and fell in the latter period—then the fall in prices cannot be owing to cheaper cost of production, transit, etc., for how can this same cause produce a precisely opposite effect after 1872 to that produced during 1850 to 1872?

If general prices have fallen 50 per cent the purchasing power of money must have risen 50 per cent or gold appreciated to that extent, which means the same thing. For what means price, but the value of other commodities expressed in money?

Now the remedy so urgently wanted depends on the answer to this great question. Is gold or any other interposed commodity in exchange an economic necessity to carry on the commerce and finance, domestic and foreign, of any country? Among a barbaruos or semi-civilized people it undoubtedly is the best medium of exchange or interposed commodity in barter, for among such communities their trade and financing begins and ends for the most part in present exchanges, But for nations in a high state of civilisation with their vast and complex system of industries, and with money obligations running over long periods of time and of enormous amounts, we say emphatically, no! money is merely a certificate of credit, and the value of all money of whatever material it be composed is in inverse ratio to its quantity in circulation. And the value of money rises or falls in that proportion which its aritbmetical value as a numerator bears to the whole volume of money as a denominator, and no device of sophistry can alter this law of nature—and stability of prices or value of commodities expressed in money is the essence of currency required in trade, and gold and silver are the greatest curse, as having an intrinsic value in themselves and therefore subject to great and unforseeable fluctuations.

Then as to the social effects on the freedom of the people gold and silver as currency are a greater curse, for they are subject to the monopoly and control of great capitalists. In the interposed commodity (gold) in exchanges, lies the power by which the capitalists rule the world. In this little fold lies hidden the germ which produces the gigantic millionaires and their world-wide power, which produces all the commercial crises, the money panics, trade collapses, national and private bankruptcies, the inequitable and dangerous destribution of wealth, the canker of pauperism and the unemployed millions.

This interposed commodity in exchanges is "cornered" by combinations of capitalists and the movements of gold in the worlds markets directed and controlled, and thus a commodity is set up as a so-called "standard of value," whose proper function is merely a denominator to express and record the relative values, the comparative purchasing power of commodities. There can be no such thing as a "standard of value," value being nothing but a relation between commodities, a ratio of exchange varying in the nature of the case with the incessant fluctuation of supply and demand.

Mediums of currency in so far as they have any real import are all properly personifications of abstract value. What is called the equivalency of some of them, whether imaginary or even truly real, is a mere remaining leaven of savage barter, so far as it interferes with their abstract character as measures or denominators.

Money strictly and philosophically speaking is an ideal scale of equal parts, and money is not the value by which goods are exchanged, but the value for which they are exchange.d.

If it be clear that the interposed commodity is not scientifically an economic necessity, but an absolute disadvantage, then we have the remedy by which this country can be extricated from the vampire, bloodsucking of gold appreciation, and that remedy is forthwith to establish a national currency under a State bank department, for Government business only; the issue of a State monopoly, and the sole legal tender, but limited and issued only for value received, so that the State note could never be over-issued, enforcing by extreme penal laws the strictest guards against counterfeiting and demonetizing gold and silver, treating gold (if wanted for foreign service) as a mercantile commodity bought and sold like any other merchandise. When thus treated, the State note would be converted into gold for export at the market price—if ever required—as wool or wheat would be, and not at a fixed price. That no interest-bearing bonds be issued by Government for any purpose whatever, and that any such bonds outstanding be converted into legal tender, State notes. It is the symbolic money alone which admits of invariable value, because it is not formed of substantial and therefore variable materials.

In laying stress on the issue of the State note for value received only, as guarding against over-issue, it is following the fundamental doctrine of currency established by Turgot and others; that money does not represent commodities at all, but only debt or services due, which have not yet received their equivalent in commodities. Currency is transferable debt.

Now the value of money depends upon its relations to what it represents, namely, debt, and not commodities. If money or currency increases faster than debt or services due, it immediately causes a diminution of its value. If debt increases faster than money or currency then the value of money is raised. Therefore, the State note issued only for value received could not be over-issued.

A national currency on these principles has been the bulwark of freedom in all ages against the monopoly of wealth. An international currency which in modern times shallow theorists have clamoured for and ignorant legislators aimed to establish is under the present monetary system (metallic basis) that the whole effect of a common measure of value is to place the control and monopoly in the hands of the great capitalists through the metals. Gold is practically international money; such international value of gold subjects the business of a country to the financial convulsions of every other country in the commercial world.

If national existence can only be saved in time of war by discarding international and adopting national money, why may not national distress such as we are suffering be prevented or relieved in time of peace by the same means? National not international money made England mistress of the world in her conflict with the great Napoleon. The genius of William Pitt scouted the capitalists' cherished gold theories and said, "a national currency was to the capitalist what the policeman was to the burglar," and said and acted upon this. "The circulating medium should consist of anything that answered the great purpose of trade and commerce, whether specie or any other terms (forms) that might be used," and the national bank note of England was the sole money in circulation as legal tender from 1793 to about 1822, during which time England fought, conquered and subsidised other nations, under enormous war expenditure, and crushing taxation, and yet was more prosperous than she was after the peace under the gold regime, and the Bank Act of 1844 is a monument of the bourgeois mind of Peel in making the rich to be richer and the poor to be poorer.

National not international money gained the independence of the United States in the war of the revolution. National not international money made possible the preservation of the union in the last civil war in America. National not international money will revive enterprise, and find work for every willing hand, and restore contentment and prosperity to this country.

The money of each country is the commercial life blood of that country. International money is a suction pump by which that life-blood is pumped out of every country in distress to fatten the interested bandholders in commercial centres, where money-changers prosper at the expense of production. But the specie-basis man says:—"How will you carry on foreign trade and settle foreign balances, if you do not have money which is good in all the markets of the world?" Answer: How have the nations of the earth traded with each other since the world began? There never has been a period when all the nations or a majority of them were doing business on international money at the same time. International trade so long as it is legitimate and advantageous consists in the exchange of the commodities of one country for those of another, a country which buys more than it sells must ultimately come to grief. When international balances are settled by international money the industries of the debtor nation are paralyzed by contraction."