

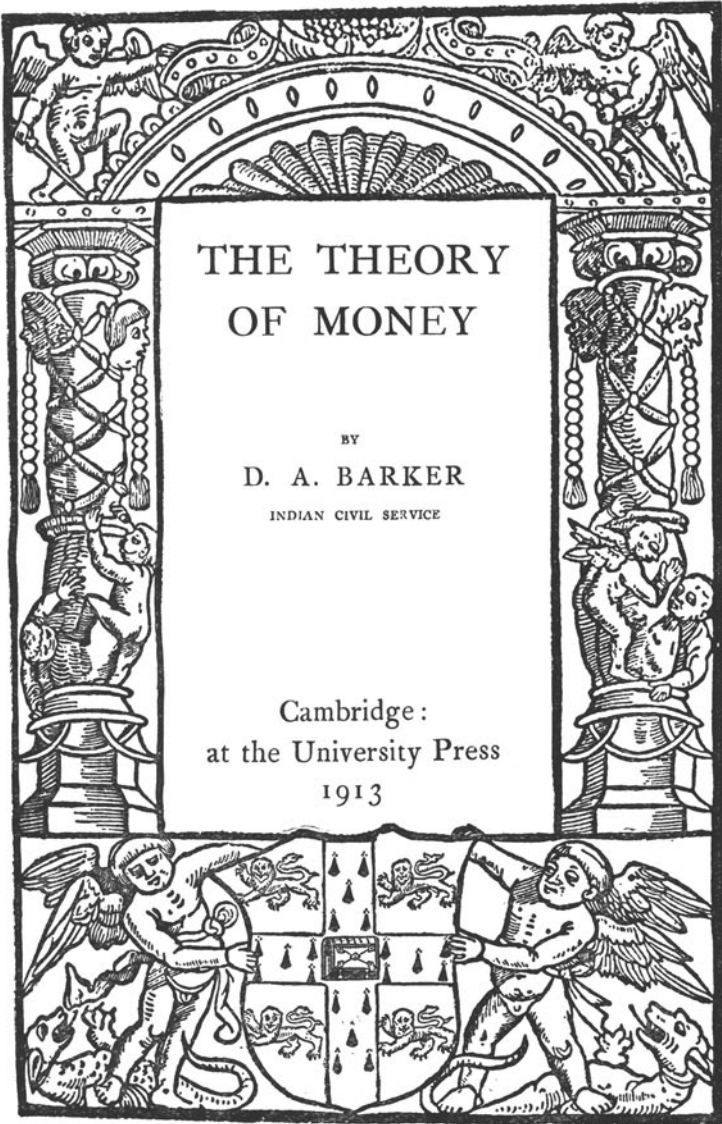
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THE THEORY OF MONEY

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PREFACE

It has been well said that in England of recent years the theory of money has become a matter of oral tradition. In the United States, on the other hand, there has been, during the last fifteen years, a flood of literature which contains works of the highest interest and importance, and which has carried the theory of money definitely beyond the point at which it was left by Jevons. To the English student, of course, this literature is easily available, and he cannot do better than study the originals. These originals, however, are often so bulky or so technical as to discourage the general reader, and I have therefore attempted in this book to set forth the more important results of recent American work, without omitting those divisions of the subject which are better known to English students. Taken together with *Cash and Credit*, already published in this series, which relates chiefly to the subjects of foreign exchanges and banking, I hope that this book will give the reader a fairly thorough acquaintance with the theory of money, and will encourage him to turn to original sources. To these sources, especially to American authors such as Messrs

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Laughlin, Kemmerer, and Irving Fisher, I have to acknowledge a very large debt. Indeed the portion of this book dealing with “velocity of circulation” is practically a *précis* of the corresponding chapters of Professor Irving Fisher’s book, *The Purchasing Power of Money*. To the perusal of this work, as well as of Professor Kemmerer’s *Money, Credit and Prices*, I would commend every reader. Professor Jevon’s *Money* is almost too well known to need a reference. In conclusion, I would advise the more advanced student to study the evidence of Dr Alfred Marshall given before the Gold and Silver Commission, and also the monetary chapters of Professor Sidgwick’s *Principles*.

LANSDOWNE, GARHWAL,
March 1913.

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