

As a beginning, Law had notes to the amount of one hundred and ten millions of pounds sterling struck off and circulated. They were receivable in taxes, nominally redeemable in coin, and made a legal tender. A great wave of instantaneous prosperity seemed to rush over France. The parliament of Paris, alarmed by the furor which seized the whole people, tried to check it by legislation, but was overborne at once. Law even threatened to abolish it for presuming to stand in his way. This bank lent the king twelve hundred billions of francs to pay off the debt. An eye-witness of the scenes in Paris, writing at the time, says: "All the town is in convulsion over the shares; the capital is thrown into a kind of state fever; we see the debt diminish before our eyes; private fortunes are made out of nothing." From all parts of France men poured into Paris to speculate. The street in which the bank was situated was crammed day and night. The shares rose to forty times their value in specie at the time of their issue. Everybody seemed to be getting richer, nobody poorer. The bank continued to pour forth paper money till its issue reached 3,071,000,000 francs, 833,000,000 more than it was legally authorized to emit. Its issue of shares at the extreme market value when the craze was at its height was twelve billion francs, which had been built up on an original issue of less than two millions.

M. Thiers, in his account of the situation at this time, says: "The variations of fortune were so rapid that stockjobbers, receiving shares to sell, by keeping them one single day had time to make enormous profits. A story is told of one who, charged with selling some shares, did not appear for two days. It was thought the shares were stolen: not at all; he faithfully returned their value, but he had taken time to win a million for himself. This power which capital had of producing so rapidly had brought about a traffic; people lent the funds by the hour, and exacted unprecedented rates of interest. The stockjobbers found, moreover, a way to pay the interest demanded and to reap a profit themselves. One could even gain a million a day." Law himself reaped a colossal fortune in paper, which he turned into land as fast as he could. He bought no less than fourteen titled estates in France, a fact which is cited as evidence that he had faith in his own schemes, for had he been a swindler he would have invested his profits in some other country.

Of course such a condition of affairs could not last. Scarcely had the whole system been made complete before the inevitable collapse began to threaten. People began to sell their shares for land, houses, coin, or anything that had stable value. Prices rose enormously, and gold began to be hoarded. The shares began to fall and the paper money to depreciate. Then Law, like his imitators a half-century later in Rhode Island, began to try to save his paper money from destruction by edicts or forcing acts. It was forbidden to convert the notes into gold or silver, and decreed that they should bear a premium over specie. It was decreed that coin should be used only in small payments, and that only a small amount of it should be kept in the possession of private persons. Any one keeping more than 400 or 500 francs in specie was to be fined 10,000 francs. The wearing of gems and diamonds was prohibited. Nothing made of gold was to weigh over one ounce. Old specie was confiscated, and domiciliary vis-

its were ordered to discover it. Of course these signs of desperation only hastened the end. The shares, which had been fluctuating wildly, began to go down steadily. This was in February, 1720, less than two years after the founding of the bank. When all the violent edicts failed to stop the decline, the Government decreed in May that the value of the shares and notes should be reduced one-half. This was the end. The great bubble collapsed, for credit had been completely destroyed. The bank stopped payment, and the whole nation gave itself over to rage and despair. Law's life was in danger, and that of the regent was threatened. The bank was abolished; its notes were reconverted into the public debt, leaving it as it was when the bank was established; Law's estates were confiscated, and by November of 1720 not a trace of the bank or its various companies remained. Law himself remained in France till the end of the year, when he became a wanderer on the face of the earth, dying at Venice in 1729 almost a pauper. "Of all the industrial values produced under the hot atmosphere of Law's system," says Blanqui, "nothing remained but ruin, desolation, and bankruptcy. Landed property alone had not perished in the tempest."

This is the experiment which Senator Stanford proposes should be repeated in the United States. It is the same experiment which Rhode Island tried with similar results in 1786. It is the same experiment also which the Argentine Republic has been trying within the past five years, and the results which that unhappy country is now reaping from it we shall make the subject of our next article in this series.

The New York of the Future.

THE first formal statement of the proposition to consolidate New York, Brooklyn, Staten Island, and other adjacent territory into one great city was made over twenty years ago. In 1868 Mr. Andrew H. Green, in an official communication, called attention to the "important subject of bringing the city of New York, and Kings County, a part of Westchester County, and a part of Queens and Richmond, including the various suburbs of the city, within a certain radial distance from the center, under one common municipal government, to be arranged in departments, under a single executive head." In that communication Mr. Green placed the number of people comprehended within the area of the city and its immediate neighborhood at "more than one and a half million, all drawing sustenance from the commerce of New York, and many of them contributing but little to the support of its government." In a very valuable bulletin issued from the Census Bureau at Washington under date of April 17, 1891, entitled "Urban Population in 1890," the Superintendent of the Census, Mr. Robert P. Porter, puts down the number of people living "within a radius of fifteen miles of the city hall on Manhattan Island" as being "considerably in excess of 3,000,000, or two-thirds that of London." His estimate includes, of course, parts of New Jersey, which are excluded from the consolidation scheme; but a fair estimate of the total population within the proposed consolidated limits places it at about 2,750,000. Thus it appears that during the twenty-three years in which the consolidation project has been under discussion the population of the communities concerned has nearly doubled.

It cannot be said that the discussion attracted much attention till within the last few months. In 1890 the State legislature passed a bill creating a commission "to inquire into the expediency of consolidating the various municipalities in the State of New York occupying the several islands in the harbor of New York." This commission organized with Mr. Andrew H. Green as president, but little interest was taken in its proceedings till in April last it sent a report to the legislature, favoring consolidation, defining the limits of the greater city, and recommending the passage of a bill empowering the commission to frame a charter for the city's incorporation, government, and administration, to be submitted to the legislature for approval at some future date. This formal action commanded the attention of the press, with the result of arousing more public interest in the subject than had previously been felt. The passage of the bill by the upper branch of the legislature added to this interest perceptibly, so that it could for the first time since the discussion began be said that the matter had really become a public question.

The one point upon which all commentators are agreed is that the consolidation is inevitable at some time or other. This being the case, the date of the consolidation will be hastened or retarded by the strength or weakness of the arguments which are brought forward in its behalf. It is conceded that all the localities concerned owe their existence to their nearness to New York and draw their sustenance mainly from it. They have been built up by the overflow from the narrow confines of Manhattan Island. Whether union would result in good or evil, to one or all, whether there would be wiser, more intelligent, more economic government in the united city than there has been in the separate municipalities, are questions upon which there is the widest difference of opinion. Probably it would be more accurate to say that there is as yet very little real opinion to be found, for few persons have given any except the most superficial thought to the matter.

The magnitude of the subject is likely to stagger even the most thoughtful examiners. The total land area of the future New York, as defined by the commission, would contain nearly 318 square miles, or over 203,000 acres. The present city contains about 39 square miles, so that the new city would cover more than eight times the space of the old. New York would thus, both in population and area, be larger than any other city in the world with the exception of London. In order that its size may be fully comprehended let us compare it with the leading cities of the world, both as to population and acreage, and also as to number of inhabitants per acre:

	Acres.	Population.	Persons per acre.
New York (now).....	24,760	1,515,301	60
New York (future)....	203,000	2,750,000	13
London	441,587	4,764,312	11
Paris	19,200	2,269,023	117
Berlin	15,500	1,315,287	85
Chicago	96,200	1,099,850	11
Philadelphia	83,200	1,046,964	12
St. Louis	49,000	451,770	11
Boston	23,661	448,477	19

It thus appears that New York at present is the most crowded city in the world with the exceptions of Paris and Berlin, and that even if its limits were to be extended as proposed it would still have more persons to each acre than London has at present, with nearly

double the population which the enlarged New York would have. If the past ratio of increase in New York be maintained, as there is every reason for believing that it will be, the population of the greater city will reach 10,000,000 by the middle of the twentieth century, or an average of forty-nine persons per acre.

It is not strange that the student of municipal government should find it difficult to form any opinion as to the kind of rule to be expected from a municipality of such colossal proportions. What reason is there for thinking that the union of New York and Brooklyn would result in giving us any better government for the two together than each is able to get separately now? Would union induce the intelligence and morality of the community to take any more active part in political matters than they have taken heretofore? We can make up our minds upon one point, and that is that the activity of the professional politicians would not be diminished. It is urged in favor of consolidation that we should be able to get a better system of wharves and docks, should be able, in fact, to construct a water-front worthy the foremost city of America, if we were to bring all the various municipalities at present owning parts of that water-front together and give them a common interest in its improvement. New York has had the sole interest in the greater part of it for many years, but she has shown little desire to make it worthy of her position as one of the greatest commercial ports of the world. If consolidation would arouse civic pride in her citizens in this or any other direction, it would be an unspeakable blessing.

If, however, there be no assurance of better things in government in the greater New York, it is perhaps equally true that neither is there assurance of worse things. The new territory would, by greatly enlarging the number of voters, make it very difficult for any central political organization like Tammany Hall to maintain control of a majority. The danger of internal dissensions among the political bosses in the various parts of the municipality would be increased as the size of the masses each was expected to control increased, and in such dissensions there is always opportunity for reform movements; but the amount of patronage and the opportunities for jobbery would at the same time be greatly increased, so that the greater possible good is counterbalanced by the greater possible evil. The limits of New York and other American cities have been extended many times within the past few years, but we have yet to hear that the enlargement of area has in a single instance led to a diminution in the evils of misgovernment.

It is, in fact, misleading to expect that consolidation, which is certain to be effected within a few years, will do much to solve the problem of municipal misgovernment, which is becoming more and more every year the most serious problem that confronts American sagacity. The Census Bulletin to which we have referred, gives very striking evidence of the rapidly increasing tendency of our population, in imitation of that in older countries, to congregate in the cities. It shows by the figures of the new census that nearly one-third of the entire population of the country is now living in cities, against about one-fifth in 1870; that while there was only one city which had over a million inhabitants in 1880, there are now three; that while there were only fourteen cities which had over 100,000

inhabitants in 1870, there are now twenty-eight; and that while the total city population has increased nearly sixty per cent. since 1880, the total population of the country has increased only twenty-five per cent. This increase in city population has been accompanied by a steady increase in municipal misrule, if the amount of attention and anxiety devoted by all thoughtful minds to that subject affords satisfactory evidence, and we believe it does. Surely, therefore, this tendency to make not only New York but all our cities larger ought to give all patriotic Americans a fresh and powerful incentive to grapple with the problem of municipal government and to solve it in the only way in which it can be solved; that is, by separating municipal affairs completely from State and national politics, and conducting them, as the citizens of Berlin, Glasgow, Birmingham, and Manchester conduct theirs, upon a thoroughgoing, non-partisan, business basis.

"Journalists and Newsmongers" Again.

A YEAR ago we printed a suggestive array of facts under the title "What's the News?" which revealed the vast importance in a commercial sense of the expenses and revenues of a great modern newspaper. As the author, keeping within his purpose, had no call to discuss the moral side of the business of gathering and selling news, we thought his paper made a fit occasion for commenting editorially on the distinction which ought to be drawn between "Journalists and Newsmongers."

In effect we described a Journalist to be a responsible editor or publisher who seeks public support for a medium of important news, of trained judgment on public questions, and of unselfish criticism of persons and things that are prejudicial to the public welfare. Whatever he offers under those heads is an appeal to healthy intelligence and not to depraved taste; he measures these things by his own judgment and not alone by what he imagines to be a public craving. He recognizes that news is a force and not a commodity; a force that brings happiness and injury or punishment to thousands of fellow beings every time he sends it broadcast over his community; and that his license to lend this force is his moral acceptance of the duty of seeing that it is true and that it does not wantonly invade the rights of private persons. In so far as he is a purveyor of useful information and a wise and helpful censor of public affairs, his newspaper gains in influence, circulation, and business prosperity. He is a self-constituted public servant who is herald, soldier, statesman, and judge; his work, even with honest purpose, is colored by human qualities; but the evils of his faults are trifling compared with his enormous services to society. The Journalist of this pattern is numerous and honorable among us.

On the other hand the Newsmonger was described as an editor, or publisher, who looks upon the public functions of a journalist as the opportunity and cover of making merchandise of other people's affairs to satisfy the curiosity of those who will buy. He recognizes in the public a depraved taste as well as a healthy intelligence, and caters to both; he measures the influence of his journal by the number of copies he can sell and not by the effect of his teachings; his public, so far as "news" should satisfy it, is any class, vile or

innocent, whose interests may be cultivated. He lashes law-breakers on one page, and on another (maybe in his advertising pages) supplies them with the information that is a part of the tools of their lawlessness. While a doctor of divinity, perhaps, is assisting him with moral views in one department of his newspaper, a companion of ruffians is entertaining dog-fighters, pugilists, pool-sellers, and other law-breakers in the column alongside. And why? Because his self-constituted mission is to print whatever will sell, and because the news of vice is interesting, not alone to its professors, but also to thousands who are ashamed to practise it. He excuses his traffic in heartless gossip of weak or unfortunate persons, and in records of immorality and unlawful amusements, by saying that the public wants such news or it would not buy, and therefore if he did not take the profits of the sale himself somebody else, less scrupulous, would do so. He likes to wield the power of the press as much as does the Journalist, and is oftener tempted to abuse his facilities for dealing out private as well as public vengeance. Modern expansion of the means and ends of journalism gives him a power over the reputations of private individuals and public officers and law-makers that is the greatest tyranny of the time, and provides him with a capacity for self-defense which laughs at the few and superannuated restraints of the law. The Newsmonger of this pattern is also known among us, and the worst of his influence is the temptation to shade off into his methods which he offers to Journalists, by dint of his material success.

These views drew from the author of "What's the News" an explanation on behalf of certain prominent publishers, which is printed in "Open Letters" and is called by the writer "Conscience in Journalism." It is valuable for its candor, for the proof which sensitiveness gives of good intentions, and for the illustration it affords of the ascendancy of the business idea among American conductors of newspapers. For it is clear that by the word "publisher" the author means the man who gets the profits of the newspaper, or who represents those who do, and who is therefore first of all responsible for its business success; it is equally clear that it is this business thinker (who may or may not be, also, the writing thinker) who is the maker of the tone and policy of the newspaper. He is represented as the employer of paid and unpaid scouts whose purpose is not alone to inform him as to the kind of news his public are prepared to buy, but also in part to help him determine how much idle gossip and prurency must be supplied if he would not alienate some part of his daily patrons.

The men who revolt at this idea of the responsibility of a conductor of a newspaper are referred to as critics who are ignorant of the internal workings of a newspaper office. On the contrary most of the censors of the Newsmonger are men who are familiar with every sort of work on a newspaper, from setting type to writing editorials, except the sharing in the division of the net profits of the counting house. They know how salaries are earned; they realize the value of accuracy even in handling the details of a shop-girl's love affair, that otherwise might involve the owner in damages for libel; when they are sent to ask impertinent questions as to the private affairs of a man or woman, they are aware of the fact that their mission is infamous, and that