It was easy to account for his journey to England, by saying that he was going to get particulars of the accident from the place off which it happened. This would seem only natural to Mathilde, who must on no account be told that he had any hope of finding the child. She had accepted the news of its death without questioning it, and it was far better to let her continue under this impression than to raise fresh hopes, which, after all, might never be realised, and if he could only persuade her to come to Parc du Baffy while he was away he would feel quite happy about her.

Madame de Courcy and the baroness were on intimate terms with each other, although Madame de Courcy was a staunch Protestant, and both the baron and baroness bigoted Romanists; but the great attraction to Mathilde, as Madame de Courcy guessed, would be her child, a beautiful boy of three years old, in whom the baroness had delighted until her own baby was born and absorbed all her time and affection. Knowing this, Madame de Courcy offered to send her boy to the château with the baron, hoping to inveigle the baroness to return with him to Parc du Baffy, a manœuvre which succeeded admirably, for Mathilde, not having seen the little Rex for some weeks, was so enraptured with him that she could not part with him, and as Madame de Courcy could not be asked to spare her child as well as her husband, the baroness consented to go and stay at the Parc while the baron was away. The little Rex was too old to remind her of her own baby, and his pretty mixture of French and English amused her immensely, and for the moment charmed away her sorrow. Had she known the real object of her husband's visit to England, the suspense and anxiety would have made her seriously ill; not knowing it, the change and Rex's society did her good, so that Madame de Courcy was able, after a day or two, to write to the baron and tell him his wife was certainly better and more cheerful since she had been at the Parc de Baffy.

Meanwhile the baron and M. de Courcy reached Yarmouth safely, and learned the day and hour on which the Hirondelle arrived and also left Yarmouth, and that the cause of her remaining so long there was the absconding of an English sailor, named, or, at all events, calling himself, John Smith. The baron was more elated than ever at hearing this, for he knew the Englishman was to place the baby out to nurse, and if he were safe, the chances were that the child was too; but when, after having run two or three John Smiths to earth and discovered that they bore no resemblance to the original, it became evident that the real John Smith had made himself scarce, and was probably not John Smith at all, the baron's hopes of recovering the child again fell, though he could not abandon the idea that if he could only find the runaway sailor he should hear some news of the child. The wish was, perhaps, father to the thought, but he could not help thinking the child was not on board the Hirondelle when she went down, now that he found the English carpenter had left the yacht at Yarmouth. But the baron felt his inability to speak English a great drawback to prosecuting his inquiries as fully as he would have liked, although M. de Courcy was very kind and did all any friend could have been expected to do; still, it was not the same as speaking the language himself, as the baron felt, and he bitterly regretted he had never tried to master its difficulties. Many of the Yarmouth fishermen and boatmen remembered the Hirondelle and the handsome French gentleman to whom she belonged, but not one had ever seen the sign of a baby on board her, though this did not throw much light on the matter, as the baby might easily have been kept below or removed at night.

At last, after spending a week or ten days in fruitless inquiries, the baron and his friend returned to France, the baron convinced in his own mind that some hope of his child being safe still existed, a hope which he dared not communicate to the baroness, but which, nevertheless, lingered in his breast for many a long day.

(To be continued.)

THE ROMANCE OF THE BANK OF ENGLAND;

OR,

THE OLD LADY OF THREADNEEDLE STREET.

BY EMMA BREWER.

INTRODUCTION.

A GENTLEMAN asked me the other day upon what subject I intended next to write, and on telling him that the Editor had kindly permitted me to deal with the Bank of England and the National Debt, he said, "Nonsense! what do girls want to know about the Bank of England and the National Debt? Let them be content to leave all such knowledge to men, and rest satisfied if they get their dividends all right and know how to spend them properly and keep out of debt."

He seemed to forget that to do even the little he permitted us would require knowledge and education of a liberal character, and that without these our desires might outrun our income, and getting into debt might prove our normal condition.

A thorough knowledge of our circumstances is better than partial blindness, and to see things all round and weigh them justly is better than sitting with hands folded while men see and judge for us.

The subjects of the Bank of England and the National Debt are well worth a study, and will not fail to afford us both varied and interesting information.

Among other things they will tell us how the Bank of England came into existence; what the nation did previous to its existence; how our country came to have a debt which it has never been able to pay off, and how it would prove a calamity if it were possible to pay it off suddenly.

Again, we shall learn the meaning of "selling out" and "buying in" money, and what is understood by "consols," "reduced threes," "stocks going up and down," "a run upon the Bank," "panic," and many other such terms.

There is no reason why girls should not be able to give answers to all of these, and every reason why they should, seeing that an intimate knowledge of these subjects is as much a part of our nation's history as is the history of our kings and queens, our wars, and our institutions.

And even beyond this, it is a matter of importance that girls having property, little or much, should understand the character of those to whom they entrust it.

There are many and valuable books published upon these subjects, but they are expensive to buy and take a long time to wade through; in addition to this, they are so learned that we women-folk fail often to get the simple information we require, even when we have read them.

The Bank of England, either by name or by sight, is known, I suppose, to all of us; but its origin, its working, its influence, is not so familiar to us, and it does not seem to me that we should be going at all out of our province if we were to ask the "Old Lady of Threadneedle-street" to tell us something of her history, her household, and her daily life, seeing that most of us contribute to her housekeeping, some more, some less.

We trust her so completely that "safe as the Bank of England" has passed into a proverb; yet, for all that, we should like the old lady's own account of how she came into existence, and how she became such a power in the land, and what she does with all the money we lend her, and out of what purse she pays us for the loan.

She certainly ought to be able to tell an interesting tale—for her palace, her servants, her house-keeping, her treasures, her cellars, her expenditure, her receipts and clearing, the frights she has every now and again both given and received, must each and all be more amusing and full of interest than any fairy tale told by Grimm or Andersen.

CHAPTER I.

THE STORY OF THE OLD LADY OF THREADNEEDLE STREET.

AND so you want me to tell you the story of my life! Telling tales is not quite in my line, but I will do the best I can; and should I become garrulous and tedious, as old ladies are wont sometimes to be, you must recall me by a gentle reminder that you live in the present century, whose characteristics are short, decisive, and by all means amusing.

My career has been a strange and eventful one, as you yourselves will see if I can interest you sufficiently to listen to the end.

Of course, I was not always known as the Old Lady of Threadneedle-street; indeed, I can well remember the feeling of annoyance with which I saw *Mr. Punch's* illustration of me in 1847, as a fat old woman without a trace of beauty, except in my garments, which were made of bank notes. I have kept a copy of it, and will just pencil you the outline.

The annoyance was intensified when I found myself handed down to posterity by him as the *Old* Lady of Threadneedle-street. He could have no authority for this picture, seeing that, like the Delphian mystery of old, I am invisible, and deliver my oracles through my directors.

You are girls, and will quite understand the distress of being thrust suddenly into old age. Up to 1847 I was young, good-looking, and attractive, and to be bereft of my youth and romance at one blow; to know that from henceforth all would be prosaic and business-like, that I should never again have lovers seeking my favour, was a condition of extreme pain. I had always prided myself on my figure, but even this *Mr. Punch* did not leave me, but told the world that it was due to tight-lacing. It was very cruel, and I have sometimes thought it was envy of my position; but let that go. I took counsel with myself, and determined to face the future with the resolve to be the very nicest old lady in the world, and to make myself so useful to my fellow-creatures that they should love me and stand by me even though my first youth had passed. And I am sure you will agree with me in thinking that I have accomplished this, and that not only have I kept clear of weakness and decrepitude, but have achieved for myself a reputation and position second to no lady in the land.

It has been necessary for me to make this little explanation, otherwise you might have thought I had never been young. And now to proceed.

It was in the reign of William and Mary that I first saw the light, being born in Mercers' Hall on the 27th of July, 1694.

From this place, after a few months, I was removed to Grocers' Hall, Poultry; not the stately structure with which you are acquainted, but one much more simple, which was razed to make room for the present building.

I may say, without vanity, that my birth created a sensation throughout the length and breadth of the land.

The House of Commons even was not exempt from this excitement, but set aside its serious work to discuss whether or not I should be strangled and put out of the way, or nurtured into strength by its support and countenance.

Those members who were in favour of the last resolution declared that I should rescue the nation out of the hands of extortioners, lower interests, raise the value of land, revive public credit, improve commerce, and connect the people more closely with the Government, while those of the contrary opinion assured the House that I should engross the whole money of the kingdom, that I should weaken commerce by tempting people to withdraw their money from trade, that I should encourage fraud and gaming, and corrupt the morals of the nation.

Little recked I of all the stir and commotion my birth was causing, as, nursed and cared for by my father, William Paterson, a Scotch merchant, and his friend, Mr. Michael Godfrey, I gradually grew into strength. It was not till long afterwards that I heard and understood the circumstances of my birth, and how around me were centred the interests of the kingdom.

When I was only twelve months old, those who were bound together to take care of my interests separated my father from me, giving as an excuse that he was of too speculative and adventurous a spirit to be entrusted with my welfare.

Poor father! It has always seemed to me very sad that he who had worked so long and so persistently for my success should have been condemned to spend the last years of his life in solitude and neglect in Scotland, while I, his child, was gradually becoming everything that his highest ambition could have pictured; but so it was.

I have often wished that he had employed those last weary years of his in writing a history of his life. I am sure it would have interested all classes of readers, but I suppose he was too sad and out of heart. He was forty-one years of age at the time of my birth, having been born in Dumfries in 1658. He was one of those who may be said to live before their time. He possessed great ability, knowledge, and experience, and was a great traveller, yet, with all this, his life was a series of disappointments and failures.

THE OLD LADY OF THREADNEEDLE STREET.

From "Punch."

His great friend, Michael Godfrey, who had worked so faithfully by his side, would, I am sure, never have forsaken him, but he was struck down by a ball in the trenches of Namur, in 1695, while seeking the king in my interests.

He was a great loss to me, although I was too young at the time to estimate it fully. He has left behind him a quaint and graphic account of my infancy, with which I shall hope to make you acquainted later on.

Should you feel any interest in him, look in St. Swithin's Church some day when passing, and there you will find a monument to his memory, which records that he "died a batchelour, much lamented by his friends, relations, and acquaintances for his integrity, his knowledge, and the sweetness of his manners."

My name "Bank," which signifies "bench" or "high seat," I derived from Italian forefathers, who, in early days, carried on their business in the public places or exchanges on *benches*.

This business of theirs consisted chiefly in being the depositories of the wealth of rich people, and making payments for them according to written orders, and further in receiving money from some people on interest, and lending it to others at a higher rate. I have been told that in their day making a profit by lending money was not considered at all an aristocratic proceeding, and procured for those who indulged in it the name of usurers, a word I do not like; it savours of sordidness.

From my very birth I was educated to be reliable, steady, secure, and faithful, and to be true and just in all my dealings.

It was made clear to me that it was the lack of these qualities in the money affairs of the kingdom which had led to the necessity of my existence, and I was made distinctly to understand that it was only upon my developing largely these peculiar traits of character that I should continue the existence thus begun.

My education was quite different from that of other girls. I had to learn arithmetic almost before I could speak, and the state and condition of kings and governments were instilled into my mind as regularly as food into my body.

There were no novels, no light literature for me, except what I could extract for myself out of the dry material placed before me. Still, my mind was not warped with this peculiar bringing up, and now that I am an old woman, I think I can see that I owe this to the character of those who governed and directed me.

Of course, this peculiar education and training kept me far ahead of other girls, and while they were scarcely out of the nursery, and still enjoying battledore and shuttlecock, I was seeking information, either by reading or conversation, concerning my forefathers, position, duties, and property.

Young as I was, I began to feel creeping over me a sense of responsibility, and a longing to know how best to fulfil all that was required of me. I knew that I was rich, but how did I become so? I knew that my riches were expected to make others rich, but how? I was always asking questions, and sometimes succeeded in getting an answer, which served as a clue, and sent me to search old parchments or to make comparisons.

It was some time before I could piece the scraps of information together, but gradually I did so, and then assuredly I saw the awfulness of my influence and position, and determined, with God's blessing, to be a comfort and support to the widows and orphans who trusted in me, as well as a source of strength, security, and honour to the nation and its rulers, and I resolved that henceforth my name, *the Bank of England*, should carry with it a meaning wherever it was heard, far beyond its original signification; it should be another term for wealth, honour, and thrift—a something to be trusted, and in which nothing foul, mean, or sordid must be found.

(*To be continued.*)

of a dead heron with its foot-comb, and have not succeeded.

Another suggestion is that the bird may use it when it holds prey under its feet, as has just been narrated. These suggestions, however, are nothing more than conjectures, but, as they have been the subject of much argument, I have thought it best to mention them.

Sometimes it has happened that the heron has miscalculated its powers, and seized a fish which was too large and powerful to be mastered. Anglers frequently capture fish which bear the marks of the heron's beak upon their bodies, and in such cases neither the fish nor the heron is any the worse for the struggle.

But when the unmanageable fish has been an eel, the result has, more than once, been disastrous for the bird. In Yarrell's work on the British birds, a case is recorded where a heron and eel were both found dead, the partially swallowed eel having twisted itself round the neck of the heron in its struggles.

A very similar incident occurred off the coast of Devonshire, the victim in this case being a cormorant. The bird had attacked a conger-eel, and had struck its hooked upper mandible completely through the lower jaw of the fish, the horny beak having entered under the chin of the eel.

The bird could not shake the fish off its beak, and the result was that both were found lying dead on the shore, the powerful conger-eel having coiled itself round the neck of the cormorant and strangled it. The stuffed skins of the bird and eel may be seen in the Truro Museum, preserved in the position in which they were found.

Having procured a sufficiency of prey, the heron will take flight for its home, which will probably be at a considerable distance from its fishing ground. Twenty or thirty miles are but an easy journey for the bird, which measures more than five feet across the expanded wings, and yet barely weighs three pounds. Indeed, in proportion to its bulk, it is believed to be the lightest bird known. The Rev. C. A. Johns states that he has seen the heron fishing at a spot fully fifty miles from any heronry.

The peculiar flight of the heron is graphically described in a letter published in the *Standard* newspaper, Sept. 25th, 1883.

"One summer evening I was under a wood by the Exe. The sun had set, and from over the wooded hill above bars of golden and rosy cloud stretched out across the sky. The rooks came slowly home to roost, disappearing over the wood, and at the same time the herons approached in exactly the opposite direction, flying from Devon into Somerset, and starting out to feed as the rooks returned home.

"The first heron sailed on steadily at a great height, uttering a loud "caak, caak" at intervals. In a few minutes a second followed, and "caak, caak" sounded again over the river valley.

"The third was flying at a less height, and as he came into sight over the line of the wood, he suddenly wheeled round, and holding his immense wings extended, dived, as a rook will, downwards through the air. He twisted from side to side like anything spun round by the finger and thumb as he came down, rushing through the air head first.

"The sound of his great vanes pressing and dividing the air was distinctly audible. He looked unable to manage his descent, but at the right moment he recovered his balance, and rose a little up into a tree on the summit, drawing his long legs into the branches behind him.

"The fourth heron fetched a wide circle, and so descended into the wood. Two more passed on over the valley—altogether six herons in about a quarter of an hour. They intended, no doubt, to wait in the trees till it was dusky, and then to go down and fish in the wood. Herons are here called cranes, and heronries are craneries. (This confusion between the heron and the crane exists in most parts of Ireland.)

"A determined sportsman who used to eat every heron he could shoot, in revenge for their ravages among the trout, at last became suspicious, and, examining one, found in it the remains of a rat and of a toad, after which he did not eat any more herons. Another sportsman found a heron in the very act of gulping down a good sized trout, which stuck in the gullet. He shot the heron and got the trout, which was not at all injured, only marked at each side where the beak had cut it. The fish was secured and eaten."

I can corroborate the accuracy as well as the graphic wording of the above description.

When I was living at Belvedere, in Kent, I used nearly every evening to see herons flying northwards. I think that they were making for the Essex marshes. They always flew at a very great height, and might have escaped observation but for the loud, harsh croak which they uttered at intervals, and which has been so well described by the monosyllable "caak."

As to their mode of settling on a tree, I have often watched the herons of Walton Hall, where they were so tame that they would allow themselves to be approached quite closely. When settling, they lower themselves gently until their feet are upon the branch. They then keep up a slight flapping of the wings until they are fairly settled.

An idea is prevalent in many parts of England that when the heron sits on its nest, its long legs hang down on either side. Nothing can be more absurd. The heron can double up its legs as is usual among birds, and sits on its nest as easily as if it were a rook, or any other short-legged bird.

In many respects the heron much resembles the rook in its manner of nesting. The nest is placed in the topmost branches of a lofty tree, and is little more than a mere platform of small sticks. Being a larger bird than the rook, the heron requires a larger nest, and on an average the diameter of a nest is about three feet.

Like the rook, the heron is gregarious in its nesting, a solitary heron's nest being unknown. In their modes of feeding, however, the two birds utterly differ from each other, the heron seeking its food alone, while the rook feeds in company, always placing a sentinel on some elevated spot for the purpose of giving alarm at the approach of danger.

The heron is curiously fastidious in its choice of a nesting-place, and, like the rook, prefers the neighbourhood of man, knowing instinctively when it will be protected by its human neighbours. Fortunately for the bird, the possession of a heronry is a matter of pride among landowners; so that even if the owner of a trout-stream happened also to possess a heronry, he would not think of destroying the herons because they ate his trout.

In captivity the heron can be tamed; but it is not to be recommended as a pet. It is apt to bestow all its affections on one individual, and to consider the rest of the human race as enemies, whose eyes ought to be pecked out.

I was for some time acquainted with such a bird, but took care to keep well out of reach of its terrible beak, which it would dart to an unexpected distance through the bars of its cage.

It formerly ran loose in a garden, and was almost slavishly affectionate to the gardener, rubbing itself against his legs like a pet cat, and trying in every way to attract his attention. He had even taught it a few simple tricks, and I have seen it take his hat off his head, and then offer it to him.

But just in proportion as it became friendly with the gardener it became cross-grained with the rest of the world, attacking everyone who came into the garden, and darting its beak at their eyes. Its last performance caused it to be placed in confinement.

An elderly gentleman had entered the garden on business, when the bird instantly assailed him. Knowing the habits of the heron, he very wisely flung himself on his face for the purpose of preserving his eyes, and shouted for help.

Meanwhile the heron, wishing to make the most of its opportunity, mounted upon his prostrate victim, and succeeded in inflicting several severe pecks upon his body and limbs before the gardener could come to the rescue.

The peck of a heron's beak is no trifle, the mandibles being closed, and the blow delivered with the full power of the long neck, so that each blow from the beak is something like the stab of a bayonet, and so strong and sharp is the beak that in some foreign lands it is converted into an effective spearhead.

Few people seem to be aware that a large and populous heronry exists in Wanstead Park, on the very outskirts of London.

At the end of summer, when the young birds are fledged, the heronry is nearly deserted, but during the early days of spring the heronry is well worth a visit. The great birds are all in full activity, as is demanded by the many wants of the young, and on the ground beneath may be seen fragments of the pale-blue eggs. On an average there are three young ones in each nest, so that the scene is very lively and interesting, until the foliage becomes so thick that it hides the birds and their nests.

(To be continued.)

THE ROMANCE OF THE BANK OF ENGLAND;

OR,

THE OLD LADY OF THREADNEEDLE STREET.

By EMMA BREWER.

CHAPTER II.

JUST for a little time I must leave my personal history to inquire how England managed to do without me so long, and what the circumstances were which at length rendered my existence imperative.

In the days following the Norman Conquest, the Jews, whose one pursuit in life was the commerce of money, were the compulsory bankers of the country.

They were subject to much cruelty and persecution, as you may see for yourselves in your histories of the Kings of England. It is not to be denied that their demands for interest on money lent by them were most extravagant. In 1264 the rate of interest exceeded 40 per cent., and I believe that 500 Jews were slain by our London citizens because one of them would have forced a Christian to pay more than twopence for the usury of 20s.* for one week, which sum they were allowed by the king to take from the Oxford students.

They were ill-treated and robbed from the time they came over with the Conqueror until the reign of Edward I., who distinguished himself by robbing 15,000 Jews of their wealth, and then banishing the whole of them from the kingdom; and thus, as much sinned against as sinning, the compulsory bankers of the period departed.

There was no time to feel their loss, for immediately after their expulsion the Lombards (Longobards), or merchants of Genoa, Florence, Lucca and Venice, came over to England and established themselves in the street which still bears their name.

There was no doubt as to their purpose, for it was a well-known fact that in whatever country or town they settled they engrossed its trade and became masters of its cash, and certainly they did not intend to make an exception in favour of London.

I am not going to deny that they introduced into our midst many of the arts and skill of trade with which we in England were previously unacquainted; and it is to these Lombards or goldsmiths we owe the introduction of bills of exchange, a wonderful invention, and one which has served to connect the whole world into one, as you will see when the proper place arrives for their explanation.

These Lombards, immediately after their arrival in London, may have been seen regularly twice a day parading Lombard-street with their wares, exposing for sale the most attractive articles; and in a short time became so successful that they were able to take shops in which to carry on their business as goldsmiths.

These shops were not confined to the one street which bears their name, but were continued along the south row of Cheapside, extending from the street called Old Cnange into Bucklersbury, where they remained until after the Great Fire, when they removed to Lombard-street. There seems to be no street in the world where a business of one special character has been carried on so continuously as in Lombard-street. In the time of Queen Elizabeth it was the handsomest street in London. In addition to the art of the goldsmith, they added the business of money-changing, the importance of which occupation you will be able to estimate when we come to the subject of the coins of the realm.

From money-changers they became money-lenders and money-borrowers—money was the commodity in which they dealt, and 20 per cent. the modest interest they asked and obtained for their money.

Of course they gave receipts for the money lodged with them, and these circulated and were known by the name of "goldsmiths' notes," and were, in fact, the first kind of bank-notes issued in England.

The Lombards were a most industrious class of people, and left no stone unturned by which they could obtain wealth; and in an incredibly short time we find them not only wealthy, but powerful, and occupying a very prominent position; and you may be quite sure that under these circumstances they did not escape persecution.

Under the pretext that the goldsmiths were extortioners, Edward III. seized their property and estates. Even this seemed but slightly to affect them; for in the fifteenth century we find them advancing large sums of money for the service of the State on the security of the Customs.

In the latter days, and, indeed, up to the time of my birth, the banking was entirely in the hands of the goldsmiths, but carried on in a very rapacious spirit, as is frequently the case when unrestrained by rivals.

I dare say you have all noticed the three golden balls on the outside of pawnbrokers' shops. Originally these were three pills, the emblem of the Medici (physician) family; but in some way they became associated with St. Dunstan, the patron saint of the goldsmiths, under the name of the three golden balls—an emblem which the Lombards have retained.

Are you curious to know how the sign has so degenerated as to be the inseparable companion of the pawnbrokers of the land? Well, listen.

Pawnbrokers' shops, or loan banks, were established from motives of charity in the fifteenth century. Their object was to lend money to the poor upon pledges and without interest. Originally they were supported by voluntary contributions, but as these proved insufficient to pay expenses, it became necessary to charge interest for the money lent. These banks were first distinguished by the name of *montes pietatis*. The word *mont* at this period was applied to any pecuniary fund, and it is probable that *pietatis* was added by the promoters of the scheme, to give it an air of religion, and thus procure larger subscriptions.

Well, these banks were not only called mounts of piety, but were known also as Lombards,* from the name of the original bankers or money-lenders. Now you see how it is pawnbrokers bear the sign of the goldsmiths.

You who know so well where to place your money, both for interest and security, when you have any to spare, can scarcely understand the trouble and annoyance which our merchants and wealthy people experienced at having no place of security wherein they could deposit their money. At one time they sent it to the Mint in the Tower of London, which became a sort of bank, where merchants left their money when they had no need of it, and drew it out only as they wanted it; but this soon ceased to be a place of security. In 1640 Charles I., without leave asked or granted, took possession of £200,000 of the money lodged there. Great was the wrath of the merchants, who were compelled, after this unkingly act, to keep their surplus money at home, guarded by their apprentices and servants. Even here the money was not safe, for on the breaking out of the war between Charles and his Parliament, it was no uncommon occurrence for the apprentices to rob their masters and run away and join the army.

When the merchants found that neither the public authorities nor their own servants were to be trusted, they employed bankers, and these bankers were goldsmiths.

Many a tale, however, has reached me of the shifts and contrivances of people to secure their savings and surplus money—people whose experience had taught them to distrust both authorities and places, and who would not, under the new state of things, have anything to do with the bankers. One I will relate to you.

A man whose life had been one of hard work and self-denial, and who had two or three times lost his all through the untrustworthiness of the people with whom he had lodged it, determined to be their dupe no more. Money began once more to accumulate, and all things prospered *with him; but no one* could imagine what he did with it; as far as his household could tell, he did not deposit it with anyone outside the house, neither could they discover any place within where it was possible to stow it away. No persuasion could move the man to speak one word concerning it.

At length he died, without having time or consciousness to mention the whereabouts of his money. Search was made in all directions, but without success.

While living he had been a regular attendant at one of our City churches, and, occupying always the same corner in the old-fashioned square pew, was well known to the clergy and servants.

A few weeks after his death the pew-opener told the rector, in a frightened voice, that she could no longer keep the matter from him, for as surely as she stood there, the ghost of the man who died a week or two ago haunted the church by night and by day.

Instead of ridiculing her for her foolish fancy, the rector allowed her to tell her story quietly, seeing that she was superstitious and very nervous.

She related that several times during the past weeks, when quite alone in the church for the purpose of sweeping and dusting, she had heard a peculiar noise proceeding from the pew where the old man used to sit, and it sounded to her exactly as though he were counting out money, and she would be very glad if he would look to it and verify her statement.

Accordingly the rector and his curate accompanied the woman to the pew. At first all was quiet, but as they listened, assuredly the sound came exactly as described; they felt round about the pew, and at length discovered a movable panel near the flooring. It was the work of a moment to remove it, and there, in a good sized cavity, lay heaps of money wrapped up in paper, which last had attracted the mice, and it was their little pattering feet among the coins which had caught the woman's ear. The man had evidently dropped in his week's savings on Sundays, believing that it would be safer in the church than elsewhere.

It seems that after the restoration of Charles II., he being greatly in want of money, the goldsmiths lent it, demanding ten per cent. for the loan. Often, however, they obtained thirty per cent. from him, and this induced the goldsmiths to lend more and more to the king, so that really the whole revenue passed through their hands.

In 1672 a sad calamity befel the bankers, and put a check on their prodigal lending. King Charles, who owed them £1,328,526, which he had borrowed at eight per cent., utterly refused to pay either principal or interest, and he remained firm to his resolution.

The way in which bankers transacted their loans with the king, was in this manner:—As soon as the Parliament had voted to the king certain sums of money out of special taxes, the goldsmith-bankers at once supplied the king with the whole sum so voted, and were repaid in weekly payments at the Exchequer* as the taxes were received.

* Ruding, vol. I.

* The Lombards, or *montes pietatis*, lent on gold and silver three-quarters of their value; on other metals half of their value; and on jewels according to circumstances. The rate of interest was determined in 1786 at five per cent.

* Exchequer, so called because there was a building with a square hole in the floor, through which they used to drop the notes and gold on to a table beneath, covered with a chequered cloth.

THE ROMANCE OF THE BANK OF ENGLAND;

OR,

THE OLD LADY OF THREADNEEDLE STREET.

By EMMA BREWER.

CHAPTER III.

YOU want to know where they obtained the money in order to lend it? Well, from all those who had money to deposit—the merchants, the widows and orphans whose small incomes were derived from money lodged with the bankers; these all received a small interest from the goldsmiths, who lent their money again at a much larger interest; so you can see that when the king refused to pay, it was not possible either to return the principal or pay the interest to those of whom they had borrowed. Great was the distress, therefore, not only among the merchants, but among all who had lodged their money with the goldsmiths. The voice of the people grew so loud and angry, that at length Charles found himself compelled to pay the interest, though he never paid back the capital. In 1625 King Charles sent the Duke of Buckingham to Holland to borrow £300,000 on the pledge of the Crown jewels.

You can see by what I have told you how difficult it was for the people to find secure places wherein to deposit their money, and how ruinous was the interest demanded if, on the other hand, they desired to borrow. Great, indeed, was the need of some establishment capable of advancing money at a reasonable rate on the security of Parliamentary grants. One or two private bankers of high repute strove to improve matters. Especially may I mention Child and Hoare. To the former by common consent belongs the celebrity of having the first banking house, which was established in 1620 on the site of the present building; and I am proud to bear testimony to the fact that from that year to the present day, all through the troublous times of banking, it has maintained the high position and respectability in which Mr. Francis Child left it.* Hoare's bank was established in 1680.

These men did something towards steadying the money market; but it was left to me to clear the country of the insecurity and rapacity which had so long obtained.

Before proceeding with my personal history, I should like to explain a certain method of keeping accounts before I came into power, which accounts I strictly paid up as they fell due. It was known by the name of *tallies*,† or *tally*.

"The word 'tallies' is derived from the French, and signifies cutting. The tallies were pieces of wood cut in a peculiar manner to correspond or tally. For example, a stick of hazel or some other wood, well dried and seasoned, was cut square and uniform at each end. The sum of money which it bore was cut in notches (a notch signifying so much, according to the size) in the wood by the cutter of the tallies, and likewise written upon two sides of it by the writer of the tallies. The tally was cleft in the middle by the deputy chamberlain with a knife and mallet, whereby it made two halves, each half having a superscription and a half-part of the notch or notches. Thus cut, one part was called a tally, the other a counter-tally. When these two parts came afterwards to be joined, if they were genuine they fitted so exactly as to be parts one of the other." ‡

You will understand, therefore, "that the notches corresponded to the sum for which it was an acknowledgment; the writing on the other sides containing the date and the payer. The rod was so cut that each half contained one written side and half of every notch. One part was kept in the Exchequer and the other was circulated.

"When the time of payment arrived, the two parts were compared, and if they tallied or corresponded all was right; if not, there was some fraud, and payment was refused. Tallies were not finally abandoned in the Exchequer till 1834."

Having thus cleared the ground, I will proceed with my story.

You already know of the sensation which my appearance in the world caused, but I have not yet told you that I started in life with the sanction and support of the Government, and that I received my Charter of Incorporation, as it was called, on the day I was born.

Those who had the charge of me found it no easy matter to fulfil all that was demanded of them by the Government for my safety. For, by Act of Parliament, passed especially for my benefit, they were authorised and commanded to raise the sum of £1,200,000 within a given time by voluntary subscriptions, and in case of their failing to do this, I was to lose my charter.

This was a most difficult undertaking, and under the circumstances its success was doubtful; for, as you may suppose, I had many enemies among the money-lenders and people opposed to the Government, who, from self-interest, did all in their power to ruin me. Happily, however, the subscriptions came pouring in from individuals, both native and foreign, and from bodies political and bodies corporate, and that so rapidly that within ten days the whole sum was obtained and my charter secured; and thus, bound together with the subscribers, I became a corporate body, under the name of the Governor and Company of the Bank of England.

And now I must tell you that with this £1,200,000, my original capital, I did my first stroke of business, which was to lend it to the Government, who were in want of money to prosecute the war, and who for the loan of it paid me interest at the rate of 8 per cent., with a further allowance of £4,000 a year for management, which, if you reckon up, you will find afforded me an income of £100,000 per annum—a nice little sum to start in life with.

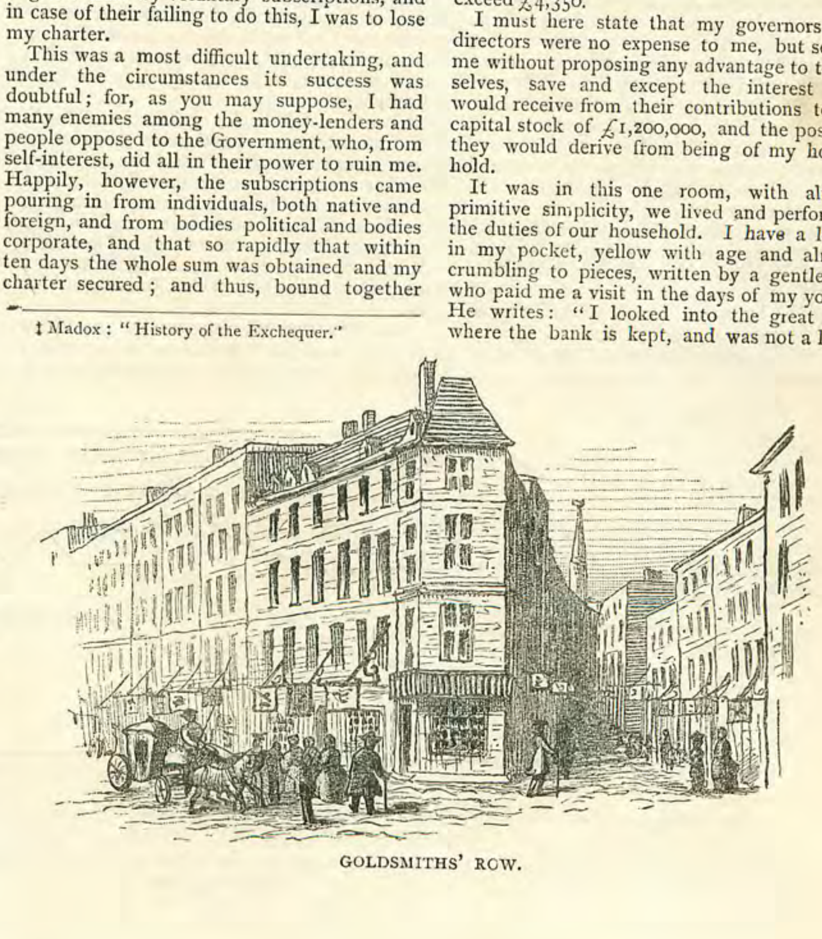
To understand my position, you must hear something of my household and my housekeeping.

It was deemed needful and proper that I should have a governor, sub-governor, and twenty-four directors, all of whom, it was decided, must be either natural-born subjects or have been naturalised; and further to render them eligible for my service, they must have a certain sum of my stock—Bank of England Stock—standing in their names and for their use. The governor must possess £4,000 of it, the sub-governor £3,000, and each director £2,000, at least.

Regarding my position at this present time, you will scarcely believe how simple and economical was my way of living originally. I occupied only one room in the hall of the Grocers' Company, and employed but fifty-four assistants, whose united salaries did not exceed £4,350.

I must here state that my governors and directors were no expense to me, but served me without proposing any advantage to themselves, save and except the interest they would receive from their contributions to the capital stock of £1,200,000, and the position they would derive from being of my household.

It was in this one room, with almost primitive simplicity, we lived and performed the duties of our household. I have a letter in my pocket, yellow with age and almost crumbling to pieces, written by a gentleman who paid me a visit in the days of my youth. He writes: "I looked into the great hall where the bank is kept, and was not a little



GOLDSMITHS' ROW.

* He kept his money-chests in old Temple Bar.

† The revenue was often anticipated by tallies.

‡ Madox: "History of the Exchequer."

pleased to see the directors, secretaries, and clerks, with all the other members of that wealthy corporation, ranged in their several stations, according to the parts they held in that just and regular economy."

It is a pleasant picture which he draws, and one that I love to look back upon. I think we all derived benefit from working together in that intimate and kindly manner; it made us strong and of one mind. Of course, I have grown quite accustomed to a much grander way of living; it is a sign of my prosperity and my usefulness, and I am thankful, but I am afraid if you came upon me unawares in my grand parlour you would find me with a sad sort of yearning for the early primitive simplicity and kindly feeling.

Many were the rules and regulations I was subject to in those early days, and even now, all powerful as I feel myself to be, I am still governed by them. They were irksome, but I never thought of rebelling, for I knew that their object was to give me a high position and keep me out of the way of temptation to meanness and dishonour.

One was that I must never trade in any wares, goods, or merchandise whatever.

Another, that I was never to borrow or owe more than the amount of my capital, and that if I ventured to disregard this command I should bring down punishment on the heads of those whose money had endowed me with my fortune.

Again, I was strictly forbidden to pay any dividend at any time save only out of this same capital or stock.

Yet one more, I was to lend no money to the Government without the consent of the Parliament, under a penalty of three times the sum lent, one-fifth of which was to go to the informer.

How little I thought that a strict adherence and submission to this early discipline would pave the way to a future in which my movements would influence the whole body of the public, my opinions and determinations affect all the markets of the world, and in which my one room would have extended itself beyond three acres of ground; but I must not get on too fast—you will see all this for yourselves as the years of my history roll on.

My early life was not without its cares and struggles which strained to the utmost the talents and energy of my household. I was but three years old when I was first attacked, not as you may think, by scarlet fever or measles, but by ill-treatment and cruel sarcasm.

A child, by name *Land Bank*, living at Exeter Change, not very far distant from Grocers' Hall, was ridiculous enough to set up as my rival. Had she confined herself to fair play while striving to win from me public favour, I think I should rather have enjoyed it, but believing that all things were allowable in love and war, she descended to be spiteful, and being gifted with humour and wit she used them against me without mercy.

Papers were circulated in all directions with the one view of injuring me. You will be able to see them, as I have preserved copies—

Here is one—"The trial and condemnation of the Land Bank at Exeter Change, for murdering the Bank of England at Grocers' Hall."

Another, which had a wide circulation, was one supposed to be my last will and testament, in which "I bequeathed my obstinacy and blunders, my self-conceit, my blindness, my fears," and in which "I commanded my body to be burned lest my creditors should arrest my corpse."

A third contained an epitaph—

"Here lies the body of the Bank of England, who was born in the year 1694—died May 5th, 1696, in the third year of her age.

"They had issue legitimate by their common seal £1,200,000 called bank bills, and by their cashier two million sons—called Speed's notes."

These papers, so widely circulated, were not without their effect, and for some time I and my people were in no enviable position. We had to struggle for a precarious existence—in fact, we had a difficulty to make the two ends meet.

My notes were at a heavy discount, and I had not always the money to meet the demands of my creditors. And, just as it always happens when one is short of money, everybody wanted to borrow of me, amongst others the Government sadly pressed me for a loan. Oh dear, that was a troubled period of my life, but help came and prevented disaster by tiding me over the difficulty.

It was very long before I found myself in a like dilemma, for I soon learned that to be short of money or, in fact, any difficulty in money matters, would deprive me of the confidence of the public, and that would never do; for to me, more than to anyone, confidence was money.

It was cruel behaviour of the Land Bank, but fortunately, except that it gave me a period of great anxiety, it did me no permanent harm. Indeed, now that I look back upon it from this distance of time, I think it was clever of the Land Bank to handicap me, a young beginner, with her weight of merciless wit, a thing very hard to deal with, or even to trace, when once it has issued from mouth or pen.

This little trouble being over, we went about our daily work in the one room as usual; work, which was gradually increasing both in quantity and responsibility, occupied us from morning till night, and the way in which we performed it called forth many a word of praise. I remember seeing the following in a journal which encouraged and pleased me greatly—

"There never was a body that contributed more to the public safety than the Bank of England, and who upon every emergency has cheerfully and readily supplied the necessities of the nation, and in many important conjunctions has relieved the nation out of the greatest difficulties, if not absolutely saved it from ruin."

I may be excused for feeling proud, for I began to see that not only was I fulfilling my mission, but that the world was aware of it.

The work which occupied my early days was very complicated, although it fell far short of what I now perform. I will try and give you a little idea of how I spent my days.

Picture to yourselves my one room, with its directors, clerks, and secretaries each at his table or desk and ready for the special work allotted to him.

You want to know where I sat, I, the young and handsome girl. Well, I was everywhere, infusing life and energy and cheerfulness into all.

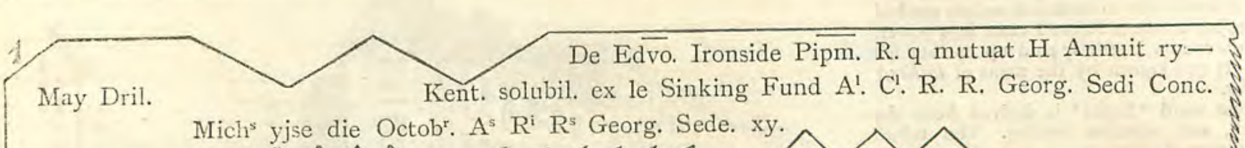
With clear head and accurate mind, I watched and verified every transaction, encouraging and helping all who came to me as far as it was possible, and giving my warnings gently where no help could be extended.

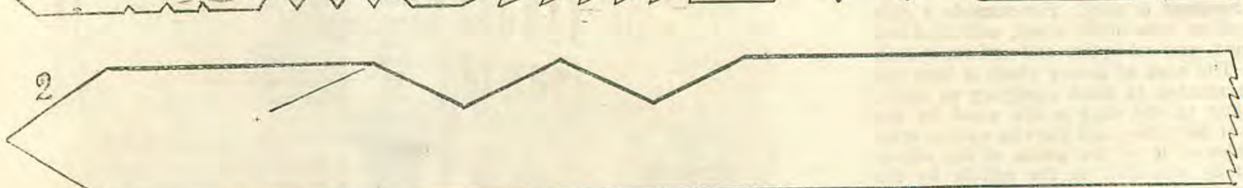
All is ready for business—it is early morning—and soon the door opens to admit a few at first who bring in their hands the peculiar sticks notched and written on, which were called tallies, and which I have explained to you in a previous part of my story. These people make their way up to a certain table and ask that money may be given them in exchange for the tallies.

This is readily granted for a certain consideration, provided the tally be correct—or may be, they desired to lodge the sticks with me. In any case I obliged them, and by my action I made tallies current payment in the land which, as my friend, Michael Godfrey, stated in his quaint pamphlet, "The country had long wish't for," and which certainly could not have been effected without me.

If you watch, you will see others passing into the room, bringing securities of many kinds and asking to borrow money upon them, which was readily granted, at much less interest than had ever been demanded before.

Others, who had confidence in me, came to ask that their money might be lodged with me, to which I assented, telling them that not only would we give them interest for





No. 1 is an exact copy of a section of an Exchequer Tally acknowledging the receipt of £236 4s. 3½d. on Oct. 25, 1739, from Edward Ironside Esq., as a loan to the King on Three per Cent. Annuities.

No. 2.—Each large notch represents £100, and a single cut of the notch signifies half the amount. Thus the upper line of No. 2 represents £250.

the money so lodged with me, but that it would be as much at their disposal as though kept in their cash-box at home, and very much safer.

It was to the interest of all concerned in my establishment to reduce the interest of money, otherwise we could not have used it to advantage. We were receiving only 8 per cent. for my stock; the lower, therefore, we brought all other interest, the more valuable was my stock.

Previous to my starting in life, the nation had been paying from 12 to 20 per cent. interest for money, which, if it had continued, must have ruined the kingdom; and as, by the way I did my work, this would be no longer necessary or possible, those who had been, up to this time, making money in this fashion, were compelled to spend it on land or lend it at a moderate rate.

Others came in during the day to have their foreign bills of exchange discounted, which I did at the rate of 3 per cent. per annum, undertaking the inland bills and notes for debts at 4½ per cent. per annum.

This was the kind of work which I performed in my early days, and upon which has been built up that wonderful fabric of money transactions associated with my name in this the nineteenth century. I am afraid the very relation of my day's work two hundred years ago has wearied you; if so, forgive me. I felt it necessary to my character to show you that the work undertaken by me from the very first was good and honourable, conscientious and helpful, and that wherever my household did a good stroke of business for itself it was not at the expense of others' ruin; on the contrary, we could not help ourselves to riches without extending the benefit all round.

(*To be continued.*)

CHRISTMAS IN ITALY.

WE were spending a winter on the Riviera, and, after trying various hotels in town and country, had finally established ourselves in a pretty little Italian villa, *palazzino*, as the peasants called it, not many miles from Genoa.

From the terraced garden there was a wide and splendid view. On our left, as we looked seawards, was the city herself, her marble palaces and churches rising crescent-wise behind the bay, which on the eastern side is bounded by the headland of Porto Fino. Facing us was the shining sweep of the Mediterranean; while to the right hand the Alpes Maritimes trended away into the far distance, their giant peaks and hollows an ever-present, ever-changing feast of colour—whether seen at early dawn, a glory of rose and gold; or at sunset, a gorgeous vision of amber and crimson, and softest, tenderest violet; or under the southern moonlight, a study in oxydised silver.

For me mountains have always had a peculiar fascination, and no landscape ever seems complete without them. I could spend, and, indeed, did spend, when in Italy, many an hour in watching their changing hues. But to-day none of our party had time for indulging in mere sentiment. Throughout the week we had been rambling among the hills and valleys in quest of mosses, ferns, and other greenery wherewith to decorate the house; for this was Christmas week, and the day after to-morrow would be Christmas Day itself.

How difficult it was, even as we worked at the familiar mottoes and rejoiced over the holly, which, after a seemingly hopeless search, we had at last found in a remote corner of the Doria woods—how difficult it was, I say, to realise the fact that this was the 23rd of December. Why, the garden was full of roses, camellias, and heliotrope; the air was as soft as upon a summer's day in England; and we were out of doors in thin woollen dresses and large, shady hats, rejoicing in the brilliant sunshine.

We had to give up our pleasant work early that afternoon, as we had engaged to help at a children's party given by a kindly English doctor in the neighbouring village. He had hired a large room at the hotel, and invited about forty children to a sumptuous tea; and, though wintering abroad for health's sake, and with doubtless many an anxious thought for wife and little ones at home, he most unselfishly catered upon this evening for the amusement of "other folks' children."

The long table was covered with dainties such as little folks love, while assiduous waiters handed round cups of delicious-looking coffee and chocolate.

Tea over, there was an adjournment to another room in which all kinds of merry romps were carried on for an hour or two, a general distribution of presents took place, a hearty cheer was raised for the kind doctor, and the young flock trooped gaily home.

Christmas Eve we spent in really hard work over our decorations. The dining-room was made festive with mottoes in pine sprays and trophies of orange-boughs laden with fruit, while the drawing-room was adorned with maidenhair fern, lycopodium moss, arbutus-berries, and the much-prized holly before mentioned. Then, about six p.m. we started to spend the evening with some charming neighbours.

The host was German, his wife English, and their two children spoke both languages with equal facility, adding thereto no mean proficiency in Italian. An Italian marquis and his younger brother, a married sister of our hostess, with her husband and little girl, a German composer, with our own quartet, made up the party. We were at once ushered into the room in which the Christmas tree had been placed; for the children, at least, were on the tiptoe of excitement as to their gifts; and thence, after due distribution thereof, we adjourned to the dining-room for high tea.

The table was a picture, with its bowls of crimson or pale-pink china roses. Each couvert had its own bouquet of heliotrope, fern, and camellia; while the profusion of handsome silver and of ancient Nuremberg glass combined still further to set off the tasteful appearance of the whole. What with the many German dishes, and the chatter of the German tongue all around me, I seemed to be transferred bodily from the shores of the Mediterranean to the dear and well-remembered Fatherland—an illusion which was not dispelled until an hour or so later on, when we found ourselves walking homewards under the brilliant, starlit sky of the south. On this particular night, too, the stars were shining with a radiancy which in England would betoken a hard frost; only that in this case the stars themselves looked so much larger, and in many instances shone with such intensity as to make themselves the centre of a distinct halo.

We met numbers of people on their way to midnight mass, either at the various shrines in the mountains or at favourite churches in Genoa, and at about eleven p.m. the bells began to ring, and went on at intervals for four hours, when they ceased for a time, to recommence at five a.m., and summon the worshippers to early mass.

I inaugurated Christmas in Italy by dressing with open windows, then joined the younger members of our party in carol-singing outside our hostess's bedroom door; after which we all descended to the dining-room—not, as it would have been, in England, to spread out icy hands and feet to the welcome blaze of a roaring fire, but to open the long French windows and to stand awhile upon the balcony watching the lizards flitting swiftly in and out among the crevices of the marble, and the green frogs jumping about the boughs of the orange-trees.

Breakfast in Italy was never a heavy meal; but to-day, in honour of the day, polenta cake and chestnut bread were added to the usual omelette and roll, to which due attention having been paid, we returned to the balcony and eagerly awaited the postman.

He brought a goodly supply of letters for each of us, and with thankful hearts we set out for morning service.

The church was full of roses – red, white, and yellow. Arbutus and fern wreathed the east window and the chancel arch; and designs of roses upon a mossy ground filled in the panels of lectern and reading desk and the wide window-sills. There was, of course, a good attendance, and all joined with spirit in the service; but our clergyman rather damped the conclusion of it by preaching a very long and exceedingly dolorous sermon, in which he harped upon "vacant chairs," absent friends," "broken circles," and "dear invalids," until he had reduced two-thirds of the congregation to tears.

Our dinner-party included a few English friends staying at the hotel, and one or two Italians, the latter being as much interested in our national customs as we were in theirs. It was certainly quaint enough to find that the Eastern Counties doggerel had its counterpart among the shepherds of Sardinia, with whom it is generally used as a cradle song.

"Lu letto meo est de battor cantones,
Et battor anghelos si bei ponem,
Duos in pes, et duos in cabitta.
Nostre Segnora a costazu m'istu.
Ea mie narat: Dormi e reposa,
No hapas paura de mala cosa."

In Upper Italy they sing—

"Dormi, dormi, O bel Bambin,
Rè divin.
Dormi, dormi, O fantolin,
Fa la nanna, O caro giglio,
Rè de Ciel."

And a gentleman who joined us later on wound up our charming evening by singing to a strange old chant the following Burgundian carol, written, as my readers will perceive, in alternate lines of French and Latin:—

"Voici la Roi des Nations,
Natus ex sacra Virgine:
Ce fils de bénédiction,
Ortus de David seminæ;
Voici l'Etoile de Jacob,
Quam prædixerat Balaam:
Ce Dieu qui détruisit Jéricho,
In clara terra Chanaam."

THE ROMANCE OF THE BANK OF ENGLAND;

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CHAPTER IV.

AFTER having tided over my difficulties, which had been brought about partly by the ill-feeling and envy of the Land Bank, and partly by another matter to be explained later, I went on successfully in my old home, gradually increasing my powers and responsibilities, and, if I may be allowed to add, daily growing more attractive.

Everybody courted my smiles, and were wretched if they failed to find favour. Among those who paid me attention were members of the royal family, bishops, clergy, ministers of state, merchants, and philosophers; and, strange to say, I was as great a favourite with the women as with the men, and I think I influenced their lives not a little, for if a girl were known to be on my visiting list, even though she were very plain, she found no difficulty in marrying well. Did a mother hold in her arms her first-born, she was more restful and content concerning its future if it had an opportunity of being placed in my good books; and, certainly if a person died who had during his life stood well with me, he was buried with more pomp and ceremony for the fact.

It seems wonderful, does it not, that I should have kept my head amid so much flattery and attention, and I very much doubt if I should have done so but for the healthy tone of my home and the constant care of my people.

Every now and then I got a fright, which prevented my becoming frivolous, and which, but for my good constitution, would have gone far to shake the life out of me. One I remember well.

It occurred in 1707, when I was but thirteen years old. It came in the form of a "run," and certainly, but for timely help, I should have been torn to pieces.

The word *run* may be suggestive to you merely of a race between me and another bank; but in bank language it has a most terrifying and disagreeable meaning.

It is a sudden demand from everybody to whom you owe money to pay up on the spot, and without hesitation.

Your office is filled and refilled with people angrily and defiantly demanding their money. Such was the case with me, and in my one room in the Grocers' Hall, at the date I mentioned.

I tried to console myself with the thought that if the people would but give me time I would pay everyone to the full, but, alas! I was old enough to know that this was not sufficient—my existence depended upon the whole world believing me to be safe and worthy of confidence, and their test of my trustworthiness was that I should pay everyone in full at a moment's notice.

I was nearly wild, and, for the moment, utterly powerless. To me confidence was money, and by money I lived and breathed.

It was no use disguising the fact—I had not sufficient in my chests to pay the reckless demands.

Not that I had misused the money entrusted to me, but that I had lent it out again, that it might work and earn for me the means to pay interest to the depositors and afford me something for my trouble; all this was quite honourable and above board, and yet how frightened I was! Had I wished it I could not have run away, for you know I had but one room, without private doors and staircases; I was, therefore, compelled to stand and face the excited and unreasonable crowd.

In the case of a *run*, it is absolutely necessary to find the money somewhere, in order to meet the demand made by the public; for if once payment is suspended credit is gone, career blasted, and business at an end.

When a person asks me in confidence my definition of a *run*, I always answer, "A reckless, senseless attack on a bank—one in which self-interest is so overpowering as utterly to cover and blot out reason for the time being."

Of course the news spread like wildfire that I was surrounded by a clamorous people whom more than likely I should not be able to satisfy, and who, in that case, would not hesitate to take my life.

This roused my friends, who without loss of time came to my assistance with the only commodity that could save me.

Godolphin (the Lord Treasurer in the reign of Queen Anne) declared that the credit of the country was bound up together with mine, and that help must be at once offered, for which phrase, when I had time to think of it, I was thankful; but, better than words, my friends, the Dukes of Marlborough and Newcastle, and others of the nobility, at once came to my rescue with large sums of money, and gentlemen of all ranks came with their offering of such cash as they had in hand.

One incident deeply touched me. A poor man, hearing of my trouble, came to me with £500 which he had saved, and placed them absolutely at my disposal. On my mentioning this to the Queen when next I saw her, she was so pleased that she sent him a present of £100 and an order on the Treasury to pay at once the £500 which had been lent to me. You may be very sure that I did not forget such a friend.

You see, therefore, how the ill effects of the *run* were averted by the kindness of private and powerful friends.

The next fright I had was of another character, and occurred on the 28th of February, 1709, just two years after the *run*.

You who have studied the history of this country know that in the reign of Queen Anne a certain Dr. Sacheverell caused a great deal of trouble to those in authority, and roused the people to acts of riot and rebellion.

On this particular day the people were mad with triumph. They had set fire to chapels and meeting-houses; they had made bonfires of Bibles and other books and materials in Lincoln's Inn Fields without let or hindrance, and while these were blazing the mob, which had been joined by persons of the very lowest class, began to entertain the thought of attacking me in Grocers' Hall and relieving me of my wealth.

So on they came, as you know mobs will when they think themselves masters, and there stood I and my whole household, determined to guard our home and its treasures with our lives.

Thanks to the Earl of Sunderland, who rushed into the Queen's presence with an account of the mob's proceedings, help was sent before harm could reach us. The Queen, on hearing of the danger which threatened me, turned pale from fear, but quickly regaining her courage, bade her secretary "send her foot and horse guards forthwith and disperse the rioters." Thus peril was once again warded off from me and my home.

I know that you will think I had enough to do without dabbling in politics, but in all your criticisms of me and my doings you must take into consideration my education, my position, and my responsibilities. Of course, I had daily dealings with every class of politicians, and became acquainted with every shade of politics.

There is no knowing on which side I should have ranged myself—whether among the Whigs or among the Tories—had I been allowed a choice; but circumstances decided for me, and made me, and kept me for several generations, a determined Whig.

My friend Joseph Addison* fully realised my position, and in a pretty allegory set forth the calamity which would fall upon me should I by chance favour the Tories.

It is very elegantly written, and, as it is not long, I will relate it to you.

You will see that he speaks of me as a queen—by name "Public Credit."

"I saw Public Credit on her throne in Grocers' Hall, the Great Charter overhead, the Act of Settlement full in her view. Her touch turned everything to gold.

"Behind her seat bags filled with coin were piled up to the ceiling. On her right and on her left the floor was hidden by pyramids of guineas.

"On a sudden the door flies open, the Pretender rushes in, a sponge in one hand, in the other a sword, which he shakes at the Act of Settlement.

"The beautiful queen sinks down fainting; the spell by which she has turned all things around her into treasure is broken; the money-bags shrink like pricked bladders; the piles of gold pieces are turned into bundles of rags, or faggots of wooden tallies." †

The truth which this picture was meant to convey was never absent from my mind or from my governors'.

We were perfectly aware of how very closely our interest was bound up with that of the Government, and the greater the public danger the more ready were we—that is, I and my people—to go to their rescue.

I mentioned in an earlier portion of my story that I gained part of my income by discounting bills of exchange.

It has been suggested to me that I should make clear to you the meaning of bills of exchange, their origin and purpose, and how I could have gained money by my dealings with them. I will do so as well as I can, and in as few words as possible.

Originally, a bill of exchange was nothing more than a letter from a person in one country to his debtor in another, begging him to pay the debt to the person who would deliver the letter to him.

This way of proceeding was a saving of trouble to everybody. To the creditor certainly; to the debtor, who could pay the money owing without the danger and expense of sending it abroad; and to the third person, or bearer of the letter, who, travelling in a foreign land, found himself in funds of the country without the great inconvenience of carrying much money from home.

For example, Madame Rotina, dwelling in Constantinople, has sent goods to Mrs. James, of Cheapside, London, to the amount of £300,

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* Joseph Addison, an elegant writer and a Secretary of State in Queen Anne's reign. He was born in Wiltshire, 1672, and died in 1719 at the age of forty-seven.

† Try and keep the meaning of tallies in your mind.

to be paid on a certain date some twelve months hence. Well, a friend of Madame Rotina's intends spending a few weeks in London, and asks if she can do anything for her friend while there. "Oh, yes," says madame; "I shall be glad if you will take a letter to Mrs. James, who owes me money, and receive it for me."

It might so happen that the friend would wish to leave London before the time has arrived for Mrs. James to pay. She would, therefore, take the letter, which would be open, to a fourth person—to me, perhaps—and say, "This bill is not due for a month. The debtor is reliable. Will you be good enough to discount it for me?" Under the circumstances, this is what I should do: take the bill for £300, and give the bearer £298 19s. 6d. Four per cent. interest for one month would be £1, which would be mine for the trouble and risk of discounting, as well as payment for the loss of my money for that time. The odd sixpence would be for the stamp. At the end of the month I should get the full £300. Now do you see how I increased my income by discounting bills of exchange, especially if some hundreds passed through my hands in one day?

These letters or bills, which were representatives of debts, became by degrees articles of traffic. They were simple instruments, transferring value from place to place, at home or abroad, and by their means accounts were balanced without the transmission of money. At this present time the net produce of stamps alone in Great Britain is enormous.

I hope I have made it clear to you; because I want you to become thoroughly acquainted with all my daily work.

And now to proceed with my story.

There is no knowing how long I should have gone on content in my one room at the Grocers' Hall, had not some unpleasantness occurred about the renewal of the lease.

My governors and directors met me in council on the 20th of January, 1732, and we decided that, if we could find a suitable site, we would build a house of our own.

We were fortunate enough to find a house and garden for sale, the property of a former director of mine, Sir John Houblon. It was situate in Threadneedle-street, in the parish of St. Christopher-le-Stocks.

We employed a first-rate firm of builders, Dunn and Townshend, very well known at that time, and the first stone of the Bank of England was laid on August 3rd, 1732.

It was a great day for me and a very imposing ceremony, in which my governors and directors took a prominent part. I gave away twenty guineas to be distributed among the workmen, that they too might have cause for rejoicing on such a memorable day.

In less than two years the building was complete, and on June 5th, 1734, I took up my abode there, and have lived in Threadneedle-street from that day to this; so that I am, of course, the oldest inhabitant. One after another I have seen my neighbours pass away, and their houses pulled down to make room for other and more stately buildings. The friends of my youth, too, are all gone, and there remain none who can sympathise with me in my high position, because there are none old enough to remember my early struggles, which led up to it.

A very lonely old woman I feel sometimes when I have leisure to sit in my grand but comfortless parlour and think, with only the shadows of past friends for companions.

There is no one with whom I care to speak of them; for, alas! the present generation remember only their faults, and none of their greatness.

It was but the other day, when some one was abusing one of my former governors, Thomas Guy,* I reminded him that my friend had built and endowed Guy's Hospital at a cost of £18,793 for the first, and £219,499 for the last, and that he should be spoken of with respect and gratitude. "Oh, yes, I know," was the careless answer, "Charity covereth a multitude of sins."

I think this is the first time I have been able personally to express my feelings about people and things in my life, and for the opportunity I am indebted to you, the girls of the world, who have expressed the desire to make my acquaintance.

The house in Threadneedle-street, into which I moved all my effects, and in which I took up my abode in 1734, was small and insignificant compared with its present size and appearance. It consisted only of the present centre, courtyard, hall, and bullion-court, and was scarcely visible to passers-by.

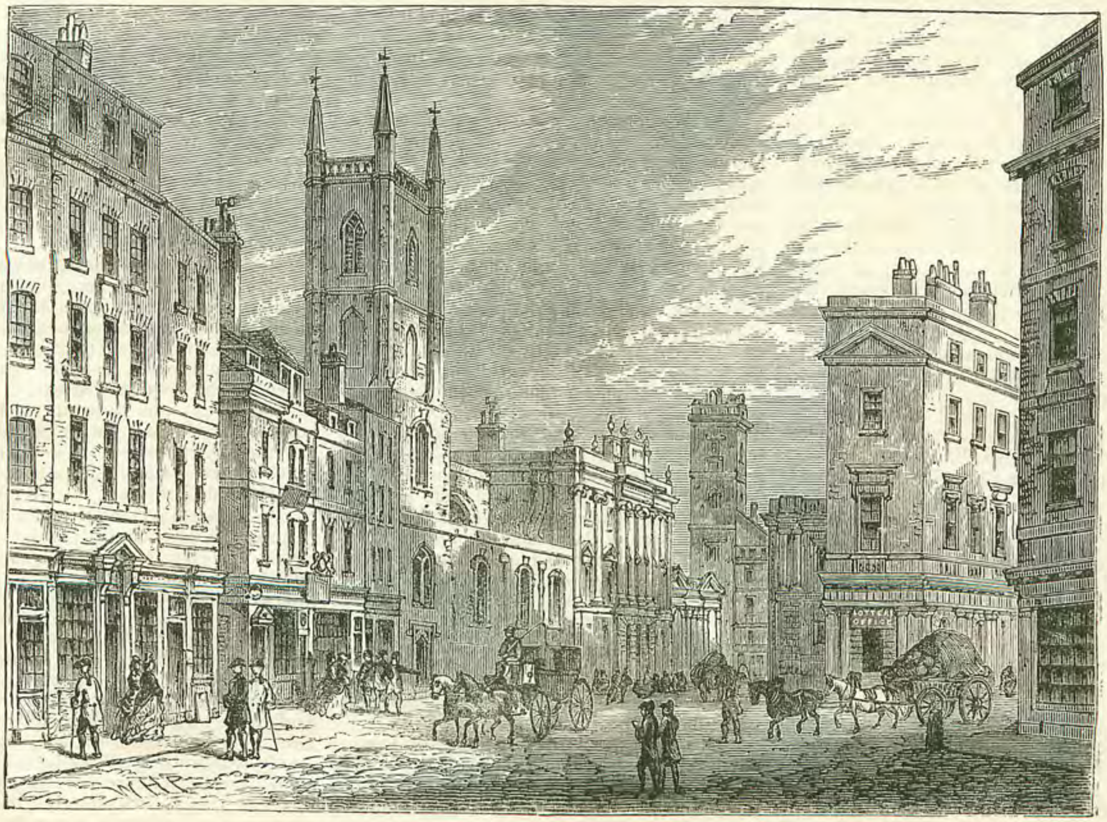
It was almost enclosed by the Church of St. Christopher-le-Stocks, three taverns, and about twenty houses.

This house was at first sufficiently large for me to carry on my business comfortably; but as the work became more complicated we found it necessary to add to it, and in 1770 built the eastern wing. Thirty years later the western wing, together with the Lothbury front, was built. From time to time there have been additions and alterations, which account for the variety in the style of architecture.

I ought to have mentioned that part of my residence stands on marshy soil, in the course of the ancient stream of Walbrook, and, that I might suffer no ill effect from this, the foundation was strengthened by means of piles and counter-arches. And here, being settled in my new home, I will pause to put all things in order before going on with my story.

(*To be continued.*)

* Thomas Guy was the son of a lighterman in Horselydown, Southwark. He was born in 1643, and died in 1724. He was apprenticed to a bookseller, and afterwards began the world with £200, which, by good business habits and extreme parsimony, became an immense fortune.



THE OLD BANK.

THE ROMANCE OF THE BANK OF ENGLAND;

OR,

THE OLD LADY OF THREADNEEDLE STREET.

By EMMA BREWER.

CHAPTER V.

In our last interview you saw me firmly and proudly established in my new home in Threadneedle*-street.

By this move I became a parishioner of St. Christopher le Stocks, whose church and burial-ground were quite close to my new house.

It was but a small parish of ninety-two houses at the time of my entering it.

The church was old, for mention is made of it as early as 1368. I cannot give you many particulars about it except that it was rebuilt or renovated in 1462, and that it was slightly injured by the Great Fire in 1666.

It had a certain sort of melancholy interest for me, for it was the burial-place of many who had been my early friends, among others, the Houblon family.

The living, which was in the gift of the bishops of London, was worth only £120 per annum; not a very rich one, you will say.

To save returning to the subject of this parish again, I will tell you now how it is that at the present moment you see neither church nor churchyard, neither parish nor parishioner of St. Christopher le Stocks.

The increase in my duties and the variety of work put upon me, rendered the size of my house wholly insufficient for the purpose, therefore, from time to time, as opportunity offered, I purchased houses in the parish, power to do so being granted me by Acts of Parliament, and so rapidly were my purchases made that in fifty years from the time of my settling in Threadneedle-street, I owned the whole parish of St. Christopher le Stocks, save and except seven houses on the west side of Princes-street and the church and burial ground. And of the rates and taxes of the parish I paid five-sixths of the whole.

Even with this extension of room I could not get on, and an Act was passed vesting the glebe land and parsonage belonging to the rector of the parish in the governor and directors of the Bank of England.

Nor was this all; I wish it were. The riot of 1780, which I will tell you about a little later, suggested that the church might prove a dangerous fortress for rioters in case of any attack made on my cellars, and after long consultations I and my directors entered into an agreement with the patrons and rector, with the sanction of Government of course, that the church and churchyard should be ours.

On this site, therefore, the west wing of my residence is built, upon a plan designed by Sir Robert Taylor.

I am glad to get over this point in my story, for the demolition of the church caused such pain to those who had friends and relatives buried there, that I would not witness it again for any consideration.

Even at this distance of time, when I look out from my parlour on to the churchyard, which is now full of flowers, and is, in fact, my garden, my conscience is troubled, and I should have been happier if a building devoted to God's service had not been destroyed to increase my domain.

It is a painful subject with me, and so I am sure you will excuse my referring to it when the years come under review in which they took place.

Should any of you wish to see memorials of the Church of St. Christopher, you will find one or two in St. Margaret's, Lothbury, with which parish that of St. Christopher's was united. They consist of two flat figures placed in niches on either side of the altar, and a metal bust inscribed to Petrus le Maire, 1631, which stands at the west end of the church.

And now to go on with my story.

You may not be aware of it, but I have several children of various ages, each with distinct characteristics and purposes, and if you are ever to gain any advantage through your introduction to me it must be by means of one or more of these.

They differ from other people's children in many respects, and yet I would not have them other than they are.

They bear a high character throughout the world, and are, I may say, blindly trusted, for those who place implicit confidence in them know little or nothing of their daily life and character, which are known thoroughly only by their own circle, and would, I think, be puzzled to give a reason for their trust.

They speak a language peculiarly their own, a language which not one in a thousand of their admirers can understand, yet it is one which, with a little attention, might be taught in our public schools with as much ease as French or Latin, and would richly repay the trouble of learning.

The remark of a man known as Captain Cuttle illustrates the want of education I refer to. He says, "I feel bound to read quotations of the funds every day, though I am unable to make out on any principle of navigation what the figures mean, and could very well dispense with the fractions."

An equal ignorance is observable in reference to their servants or bodyguard. A comparatively small number of people know anything of their office and its duties, and it has become the fashion to speak of them with contempt, but I think most unreasonably.

I am no friend to ignorance, and will endeavour, while telling you my story, to throw some light upon these points. If I remember rightly, this will be in accordance with your wish conveyed to me in your introduction.

I do not think it would be easy to find a family whose health is such a matter of public solicitation and anxiety as mine. At rapid intervals during the day their pulse is felt, their temperature tested, the figures registered and posted up to public gaze. No sooner do they meet the eye of the anxious crowd than telegraphs and telephones are set to work to carry the announcement far and wide, and according to the knowledge possessed of these figures fortunes are made and fortunes are lost.

They are, as a rule, healthy children, but unfortunately they are dreadfully sensitive, rushing up madly to high spirits on the slightest of good news, and sinking into a state of depression at the very suggestion of a war or even a change of government. I have known even after-dinner speeches at the Mansion House and Guildhall affect them. Unless the state of their feelings were registered you would almost doubt the possibility of trusted creatures being so uncertain in their disposition.

I know that this morbid sensibility is as bad for my children as for those of any other parent, for do I not see advantage taken of it every day?

When their pulses run up to fever height in the morning there is no knowing how low their purses may be before night, for everyone who has studied their language and understands the state of their health by its means takes the opportunity of coming to them for money. The livelong day the plea is for money, which is never refused while my children have a penny.

Of course I am bound to acknowledge that there is another side to the picture, viz., that whenever through bad news they become so low and depressed that you think it impossible they can rally, help comes, and in a way you would not expect.

People no sooner read the bulletin, "Very low to-day," than they empty their purses, collect their savings, write cheques for their balance at the bankers, and come and lay all at the feet of my children. It is a strange world, and I have a strange family, but so it is.

You might suppose they were my step-children, as they do not bear the family name of Bank or Banks, but you would be wrong in your supposition. They are my very own, their name of Stocks or Funds having been assumed to denote the exact part they play in the world.

You will please to bear in mind that Stocks or Funds are nothing more nor less than debts which the nation owes to the people whose names stand in my books. By doing this much will be clear to you which otherwise would be difficult of comprehension.

We have all experienced that a personal introduction is much more effective than writing, and therefore, without loss of time, permit me to introduce you to my eldest born, Three per Cents. *Consols.*

Three per Cents. was born in Grocers' Hall in 1731, and was a baby in arms when I moved into Threadneedle-street.

The circumstances attending her birth were simple. The king, as usual, wanted money, and I managed to obtain it for him by means of a lottery. The money so obtained and lent received the name of Three per Cent. Stocks, by which name it was called until 1752, when, by consent of Parliament, my child was united to a balance of annuities granted by George I., or rather, I should say, consolidated with the annuities, and henceforth was known to the world as Three per Cent. Consols.

Of this child I could say much. She has never given me uneasiness; on the contrary, she is one of the steadiest and most reliable of my children. She is less liable to high flights and deep depression, and it is in her favour I think that old people, widows and orphans, prefer her to the rest of my family.

The next Stock, or, as she is called, Government Stock, to whom I would introduce you, is Three per Cent. Reduced, a curious name, and one which might lead you to think of her as poorer than her sisters—as, in fact, reduced in circumstances. She derived her name in this wise. Originally she was a fund or stock lent to the Government upon condition that those who contributed to it should receive four per cent. for their money, and up to the year 1750 was known as Four per Cent. Government Stock; but circumstances which I need not go into here reduced the interest to three and a half per cent. in that year, at which it remained until 1757, when it was again reduced to three per cent., and henceforth known in society as Three per Cent. Reduced.

A thorough acquaintance with these two members of my family, the way to approach them, to deal with them, and to profit by them, will enable you to understand the whole family of Stocks, and this will save me time and protect you from an old woman's prosing about her children. All this I hope to do when next we meet. Till then adieu.

(*To be continued.*)

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* More probably *Three*needle-street, from the fact of the Merchant Taylors' Hall being situated in it.

THE ROMANCE OF THE BANK OF ENGLAND.

OR,

THE OLD LADY OF THREADNEEDLE STREET.

By EMMA BREWER.

CHAPTER VI.

It is a true saying, that when mothers begin to talk of their children they never know when to stop; and the children, who might otherwise have found favour, are thereby made to appear as uninteresting and vexatious bores.

I will *try to avoid falling* into this error, and only tell you enough to enable you to understand the peculiarities of mine.

You may have noticed how great a variety exists in the characters and dispositions of the members of every large family, and will not be surprised to hear that the same individuality of character shows itself in the family of Funds and Stocks.

In introducing you to the steadiest and most reliable of my children, I feel that I am putting you in the way of deriving real advantage. If, however, you prefer the less worthy, the more daring and speculative, I shall feel that no blame attaches to me.

Have you ever remarked, in your round of visits among your friends, that it is almost possible to tell the character of host and hostess by the people you meet there, and even by the servants who wait upon you—all seem to take the tone of the house? I notice this specially among my children. For example, my "Three per Cent. Consols" and my "New Three's," whom I select as specially suited to be your friends, have the most courteous, kindly, sober and religious class of visitors; on the faces of all, old and young, clergy and laity, there is an expression of repose and security and "well-to-doism" which is charming; while, on the other hand, the faces and manners of those who visit some of my other children are so wild, so haggard, so restless, that you cannot help wishing that some good fairy would give them a soothing syrup, or else insist on their choosing safer friends; but if you ever pay me a visit, and use your eyes, you will see more of this than, as a mother, I can tell you.

Against one thing, however, I am, as your friend, bound to warn you. Listen to no one who proposes to let you have money at a very cheap rate, while at the same time he offers to pay you large interest on it. More I cannot say at present.

Closely connected with me, and in my neighbourhood, stands a most mysterious building, known as the Stock Exchange. Its chief entrance is in Capel-court, Bartholomew-lane.

None may pass within its portals but those specially privileged, still I may tell you something about it without breaking through any of the barriers which the inhabitants have set up between the public and themselves.

This Stock Exchange is an association of about two thousand persons, all men, of course, who meet together in Capel-court, and who agree to be governed by a committee of thirty, chosen from among themselves.

To the outside world, all the members are known by the name of "stockbrokers," but inside the mysterious building they divide themselves into two classes—"stockjobbers" and "stockbrokers."

Whether they be one or the other, their lives, occupations, fortunes and reputations are bound up with the Stocks and Funds. They live for them and they live on them. They determine their value, they study every shade of temper exhibited by the family, they decide their rise and fall, they are their interpreters and mouthpieces, they act also as their bodyguard: none can approach but through them.

These two classes, jobbers and brokers, have a distinct work, which I will try to make clear to you.

To start with, the stockjobber does not deal with the public, but the stockbroker does.

You see stocks and shares are marketable commodities; you can buy them, sell them, or transfer them, and the stockjobber is, as it were, the wholesale merchant, and the stockbroker the retail dealer. Let me explain. If you required twenty yards of black silk, you would probably go to Marshall and Snelgrove or to Peter Robinson for it. You certainly would not think of going to a wholesale house in the City for it; and if you did, the article would not be supplied to you in this way—it is contrary to the etiquette of trade.

Just in the same manner, if you wanted to buy some stock, you would go to a stockbroker for it, and not to a stockjobber—the stockbroker occupying the same position as Marshall and Snelgrove, while the stockjobber stands in the place of the wholesale house in the City.

The stockjobber, or wholesale merchant, is always ready both to buy and sell with the broker. If you give an order to the latter, he darts into the Stock Exchange, and without disclosing the nature of his order to the jobber, inquires of him the price of the particular stock which you wish to deal in. The jobber names two prices: one at which he is prepared to buy (the lowest price, of course), the other at which he is willing to sell (the highest price).

Thus, if the price of Consols was given by him as 100¼ to 100½, it would mean that if you wanted him to take some stock of you he would give you £100 5s. for each £100 of stock; and that if you desired to buy some stock of him, you must pay him £100 10s. for each £100.

These prices are the limits which the jobber sets himself. He is often ready to give more or to sell for less than the prices he at first names, according to what is known as the state of the market.

The profits of the jobber and the broker are not of the same kind; the jobber makes his money out of the difference between the price at which he buys the stock of you and sells it to someone else.

The broker charges you a small percentage on the cost of the stock by way of commission for his services in the matter; this does not include stamp duty or fee, but otherwise he undertakes any incidental service which may be necessary to give you the full proprietorship of the stock.

Stockjobbers, or wholesale stock merchants, are, as you see, very necessary, for brokers could not at all times accommodate their customers; it might be that one would want to sell at a moment when there was no one to buy; as it is, however, all is made easy by the jobbers, who are at all times ready both to buy and sell, and to almost any amount.

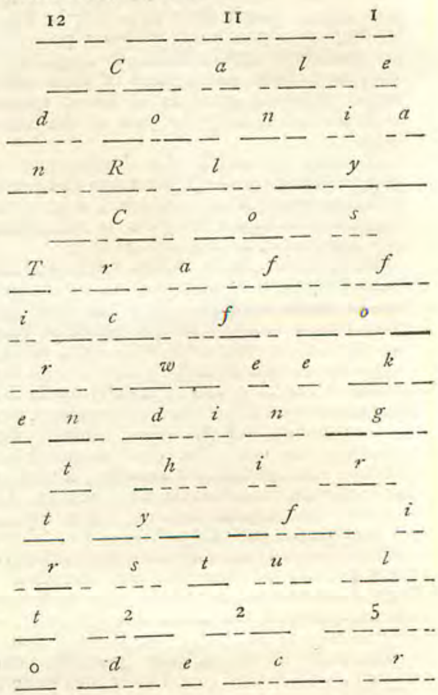
It does sometimes happen that they promise to sell more than they possess, and then they have to borrow and pay for the use of it on their clearing day, which takes place once a month for Consols and similar securities, and once a fortnight for other stocks within the Exchange. It would never do for members of the Stock Exchange to fall short of their obligations.

The mystery that has always hung about this building has greatly increased since it has been in combination with the Exchange Telegraph Company of London, with all its scientific developments and its electric currents. Between this bureau and the Stock Exchange ghostly, silent messages pass the live-long day concerning the health, the value, the rise and the fall of the various stocks and funds, and in a few seconds these mysterious messages are wafted through the length and breadth of the land.

I am a curious, inquisitive old lady, and as there were many points in these mysterious proceedings I could not understand, I went to the bureau a short time back, and begged Mr. Wilfred King, the courteous and clever secretary of the company, to make them clear to me.

I was very interested in what he said about the rapidity with which the messages are transmitted. He assured me that the result of the last Derby was known all over London before the horses had had time to stop after they had passed the winning-post; and, again, that during the last Parliamentary session the debates, by means of this company, were known at the Crystal Palace before they reached the smoking-room of the House of Commons.

As I stood watching the clever instrument pouring out silently and persistently its yards of tape messages, I asked as a favour that Mr. King would cut off a piece, that I might show it to you. You will see that the language is conveyed by means of simple lines, over which he was so kind as to write the letters so represented—



The following little sketch will give you some idea of the instrument and its working:—

I should like you to know more of this

* 12-11-1.
Caledonian Railway.—Traffic for week ending 31st ultimo, £2,250 decrease.

wonderful place; but it belongs to my life only inasmuch as it carries my messages so silently and rapidly that people hundreds of miles away can do business with me in the same hour, and the result is that many thousands of pounds pass through my hands in a day, which might otherwise have remained idle.

You will possibly feel surprised to hear that on an average six millions of pounds* are daily passed in London, without a single coin being used, and without any inconvenience or fatigue; whereas such a sum as this, if paid in gold or silver, would necessitate the carrying backward and forward over many miles some hundred tons weight.

Like many other gigantic transactions, it is brought about in an insignificant building in a court leading out of Lombard-street, and therefore close to my residence.

It is not a mysterious place like the Stock Exchange, but its power of working is so wonderful as to be quite beyond the power of woman to take in.

It transfers more money in one week than the whole quantity of gold coin in the kingdom amounts to: and not the least wonderful thing about it is that the entire work is performed by about thirty well-trained clerks, in the most exact, regular, and simple manner.

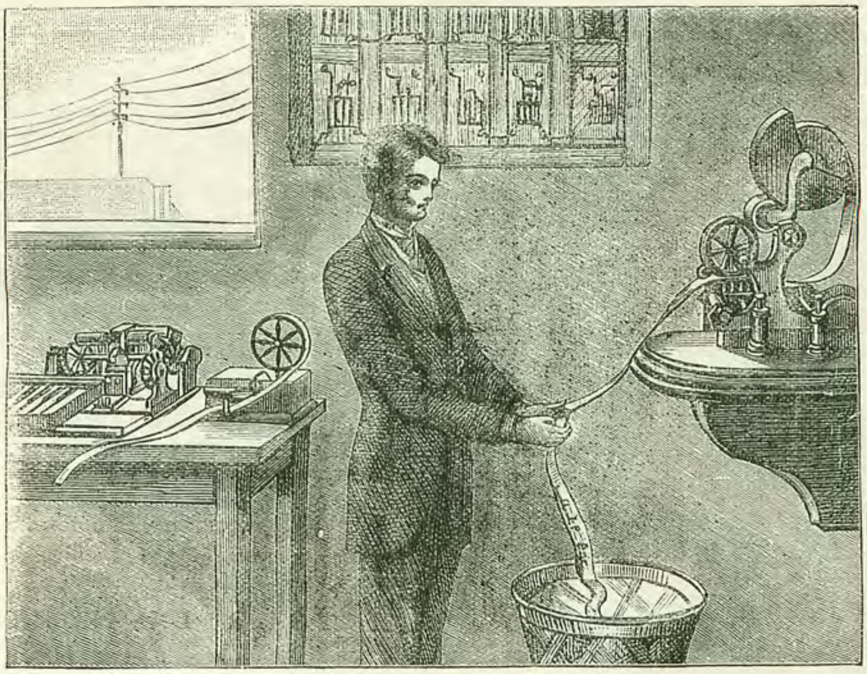
The place I am speaking of is the Bankers' Clearing House—not to be confounded with that in the Stock Exchange. It was established in 1775 by bankers who desired a central place where they might conduct their clearing, or balancing, and their needs led them to the invention of a simple and ingenious method of economising the use of money. Almost all their payments are in the form of cheques upon bankers.

The system of clearing is quite as important in money matters as division of labour is in manufactures, and deserves a much more thorough explanation than I can give here; and my only excuse for mentioning it at all is to show you how wonderfully different my position is now, strengthened as it is by the development of science, knowledge, and experience, from what it was in my early days.

While my transactions have increased a thousandfold, money, labour, and time have in an equal degree been economised.

I thought myself very rich formerly with a fortune of £1,200,000, and I considered that I and my household had a great deal to do in the management of it, and the work which fell to my lot. Dear me! I can call back the picture of even a hundred and twenty years ago. My own house was so small that passers-by could scarcely recognise it; the population of London was only half a million, and there was but one bridge over the Thames connecting my side of the City with Southwark; and as to that mysterious building, the Stock Exchange, it did not exist. You know, also, for I have told you, that my directors only employed fifty-four secretaries and clerks, and that their united salaries did not exceed £4,350. The contrast between then and now is marvellous even to me.

Only look at it. The proprietors' capital is now fourteen millions and a half instead of £1,200 000; I am the Banker of the Government; I receive the Public Revenue; I pay the National Debt; I receive and register transfers of stock from one public creditor to another, and I make the quarterly payment of the dividends. I have undertaken also the management of the Indian Debt, as well as the Funded Debt of the Metropolitan Board of Works. What do you think of that for a woman old as I am in years? You must own that, notwithstanding my age, I am young and



"GHOSTLY, SILENT MESSAGES."

vigorous in thought, in action, and in organisation, otherwise how could I get through my work as I do?

My profits, too, are, when compared with those in my young days, enormous. You wanted to know, if I remember rightly, how I lived, and how I obtained the money to pay you your dividends; and whether, in this respect, I was worthy of your trust.

Well, I will tell you a few of the ways in which I make money. I obtain large sums by discounting Exchequer Bills; then there is the interest upon the capital stock in the hands of the Government; I receive, also, an allowance for managing the Public Debt. Up to 1786 I used to get £562 10s. for every million; it was then reduced to £450 a million; and since 1808 I get £300 per million up to 600 millions, and £150 per million beyond—a nice little sum for you to work out.

A further source of income is interest on loans, on mortgages, profit on purchase of bullion, and many other small matters. I am careful, you see, not to have all my eggs in one basket.

For help in all this work I employ between eight and nine hundred officers and servants, whose salaries exceed £210,000 a year.

I think I am a good mistress. I am sure I do my best to take care of all my people, and I am acquainted with every one of them, even with those who perform what is called menial service (I don't like that word; every service is honourable, if well performed); but I do confess that I am extremely strict and particular, and I am intolerant of mistakes, from whatever cause they arise, because they dim the lustre of my honour.

I think on the whole I have reason to be proud of my servants. Indeed, I have a firm belief that no lady in the land is served better or more faithfully.

I think you will like to hear a little about the way I manage my people.

First of all, I make every increase of salary to depend upon punctuality in the morning, knowing as I do its importance. I am equally particular that those living within the house shall keep good hours at night.

Then I do not mind giving occasional leave of absence, if urgently required; but I don't allow anyone to take what is called "French leave" without paying a fine for each day's absence.

When my people get too old for service, I like to feel that they will not suffer want; so I give them a pension in proportion to the salary they are receiving at the time they retire. I spend about £40,000 in this way—a spending which has nothing but pleasure in it for me.

I started a library some time ago for the younger members of my household, by giving them a large room and £500 for books. It has since been kept going by themselves, each subscriber paying eight shillings a year. Between three and eight on certain days in the week you may see numbers of them making their way thither for reading and recreation. Those who prefer it may have books to take home. One of my representatives is always present during these hours, just to show our interest in their recreation.

The kind feeling, however, is not at all one-sided, as I have had frequent opportunities of judging. Times of trouble, panic, and sickness never fail to show me the love and devotion of my people, and that they have not hesitated to sacrifice their lives for my safety is a matter of history.

During the hours of the night, when I take my well-earned sleep, I am watched over by my faithful servants, who take it in turn, two at the time, to keep watch, in which loving duty they are assisted by a company of Foot Guards.

So you see on the whole I am a happy woman, a very busy one, and I think a safe one for you to trust.

(To be continued.)

* There passes through the Clearing House annually the incomprehensible sum of £6,000,000,000 a year in the shape of cheques.

THE ROMANCE OF THE BANK OF ENGLAND;

OR,

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By EMMA BREWER.

CHAPTER VII.

Much as I love to hold this pleasant communication with you, I feel I must not trespass too long upon your time, and so make you weary of the Old Lady of Threadneedle Street. There is, however, still so much that I wish you to know that I must not waste a moment in preface.

I explained in a former interview that I suffered occasionally from an attack known in Bank language as a *Run*.

Apparently I came well out of these attacks, yet I am aware that they have left their scars on my own personal life, for more than once, as history will tell you, I resorted to undignified and unworthy means for cure, and this always carries with it its own punishment.

But of all the sicknesses to which I am subject that of *Panic* is the worst, the most dangerous, the most infectious.

You may never have experienced it, but let me tell you that it is nothing short of a catastrophe which not only shakes the happiness of thousands of households, but often reduces nations to the verge of ruin and bankruptcy—it is, in fact, a financial earthquake.

There is a general impression among my doctors that I shall always be subject to fits of Panic; but I trust not, for surely in this age of discovery and inventions something might be done to relieve me from an attack which about once in ten years threatens my very existence.

The misfortune of it is, that this special trouble comes upon me from no indiscretions of my own; for example, that of 1825 was caused by a large demand of gold for exportation, and the medicine that saved me was the finding of a chest of old one pound notes which had not been destroyed, otherwise as far as I can see I could not possibly have survived.

Again, the Panic of 1847 was due to excessive railway speculations, while that awful Panic of 1857 arose from overtrading abroad.

I call this one *awful*, because it resulted in so much misery. Families that had been living in opulence were reduced to beggary and despair. Commerce was almost at a standstill, and fear and distrust was over all; thousands of people in every rank of life were ruined, and the whole atmosphere was heavy with gloom.

Can you wonder at my dread of the attack?

I do not know if you like to trace names and things to their origin; if so you shall hear what some of my people think of Panic.

One supposes *Panic* to be derived fron Pan, a general of Bacchus, who put to flight an army far outnumbering his own, by ordering his soldiers to awaken the surrounding echoes, which so terrified the enemy that they fled in fright.

Another says that whether it be a stampede of horses or buffaloes in the prairies; or the panic which seizes a disorderly mob or even a veteran troop; or a monetary crisis; all are alike in this—that they paralyse the reason, and bring misery upon thousands of innocent people.

Lempriere says that that kind of fear which often seizes men, and which is only ideal and imaginary, has received from Pan, the god of the shepherds and huntsmen, the name of Panic.

But all this time I have not told you of what is to be seen inside my house, neither have I told you of all I do in it.

I have printing rooms, publishing office, detective rooms, music room, and oh, such catacombs! my belief is that they can hold their own against those of Rome; but I shall leave you to be the judges. I have also some of the most wonderful machines in the world.

Of course none of these apartments are open to the public, and to get a glimpse of them requires a good deal of interest with those in authority under me.

The tools with which I work are, as you well know, bank notes, sovereigns, shillings, and pence, in short £ s. d., or money.*

We will begin with the notes, and I hope you won't side with a member of Parliament who, in his place in the House of Commons, declared "There was no need to go into all the deeper quagmires of bank notes and such things, which no man could understand in this world or in the next." It was very uncivil of him, and as women are not allowed seats in the House, it had to pass unreproved.

I am not the originator of bank notes; the first true bank notes were, I believe, invented in China, A.D. 800, and were called *Feytsien* or flying paper; and to this day *paper* money is occasionally burnt at funerals in China, in order, as they say, that the dead may have some money to start with.

Originally the lowest sum for which I issued notes was £20. The next change brought it to £10, and it was not until 1777 that I was allowed to issue notes for £5.

This continued the minimum until 1797, when I was compelled to suspend payment in cash, and issue notes of £1, £1 10s., and £2.

You ask perhaps how it happened that I was compelled to suspend payment? My answer is that it was simply because of embarrassments brought about by my connection with the Government—a connection which reduced my notes from a paper of commercial credit to a state paper-money.

Would you believe that at this particular crisis I had over £8,000,000 of notes in circulation, and only £1,000,000 of specie in my coffers?—a contrast, indeed, to this present time, when I could if I pleased withdraw every one of my notes in an hour.

I suffered a good many losses during the rage for bank note forging, which commenced with my suspending cash payment and the introduction of small notes.

I think that the success of the forgers was mainly owing to the fact that my notes were now used by all classes of people, many of whom had never previously seen a bank note, and had neither knowledge nor education to discriminate between the true and the false, and thus opened up to the forgers a tremendous field for operation.

To go back to the suspension of cash payment; the circumstance brought an excited crowd about my doors, who thought I had gone utterly to the bad, but who were eventually soothed and set at rest by finding that a meeting of merchants and bankers, under the presidency of the Lord Mayor, had agreed to take my notes in payment for any sums owing to them, and that they in like manner would use them to make their own payments.

Bank notes are made of various materials! in Mexico they are of white silk. You shall see how and of what I make mine, and after strict scrutiny I feel that you will agree with me that there is not a neater or more elegant note in the Bank World than mine.

Those who have said of them "that rags they were and to tinder they return," only understood part of what they said.

I much more readily agree with the writer who said that "the bank note is a most valuable work, and no publisher ever refused it on the plea of being too overwhelmed to accept more," and "that it is a publication more sought after than any other, and that no gentleman's pocket is complete without it."

The paper of which my notes are made is manufactured in a special mill in Hampshire, not of *rags*, but of cuttings of *new linen*, or of the finest Scotch canvas, to which is added a little cotton.

The pulp is kept in a large vat, and looks like milk. The colour of the paper is, as you have no doubt noticed, peculiar; it is like none that you buy in the shops. It is made up into reams of five hundred sheets, each sheet making two notes.

It is very contradictory in character, being so thin that when printed there is much difficulty in making an erasure, and yet so strong that one note will bear the weight of 56lbs. without tearing; and the strange thing is that the quantity of fibre of which it consists is only $18\frac{1}{2}$ grains.

The rough edge round my notes is one of its peculiarities, and is called the deckel edge; it cannot be imitated by cutting.

The watermark is secured to me by Act of Parliament, and no imitation of my notes is permitted.

The distinguishing marks of my note are its thinness, its strength, its colour, its rough edge, its touch, and its watermark.

For the printing I use special ink made on the premises from grape skins; or rather, I should say, the charred husks of Rhenish grapes, which are mixed with linseed oil previously boiled and burnt; from this combination we get a black so tenacious that it is impossible to remove it when once pressed on the paper.

Having said so much, will you now come with me into my printing rooms, where you will see that I print and number daily in one machine alone 16,000 bank notes? The average number turned out a day is 30,000, every one of which is entered into a ledger. The place in which these are kept, before going out into the world, is known as my store room, as unlike the store room of other ladies as it is well possible to conceive. If a note comes out blurred, the machine is stopped and the number set back. This is a beautiful machine, and numbers the notes with unerring precision. Every time a sheet passes through it it gives a click, as if to say, "another two notes well printed and numbered."

(To be continued.)

* The word money is derived from Juno Moneta, whose temple was the Mint in which Roman coin was made.

rest for the housekeeping expenses," replied Mabel.

"Mabel, Mabel, you will ruin me. You knew how needful it was to be economical and cut down expenses wherever it was possible; and yet you have gone to the opposite extreme Go and fetch me this bill of Morton's, and let me see what it is."

But when the bill was brought, very little enlightenment was gained, for the articles bought were lumped together as "goods," and the date given; then again "goods" for another date, and so on throughout.

"Did you not have a bill with each of these parcels of goods when you bought them?" asked Mr. Randolph.

"Oh, yes, papa. A linendraper always gives a bill when you are served."

"Then go and fetch them to me."

"But I have not got them. Nobody ever keeps linendrapers' bills," added Mabel.

"Then how do you know this account sent in is correct?" said her father.

Mabel was obliged to confess that she had no means of testing it, as all the bills of the items had been destroyed.

"Then I certainly shall not pay it until these are found or Morton's supply another copy, that I may know what I am paying for; so you had better see to this, and let me have it in a day or two."

Mabel left the room, feeling herself very much injured, while her father sat and pondered over her reckless extravagance, as he considered it. He was doubtless a little unjust to Mabel in his thoughts, while she was prone to nurse her grievances, and so exaggerate them. To her it was a great indignity to have to go and ask the linendraper to send in a detailed account of his bill, and she would have sent Mary or the nurse; but her father, in speaking of the matter again the next morning, insisted that she should go herself, that there might be no mistake about what she wanted.

Having found so much extravagance, as he considered it, in one department of the household expenditure, he thought it would be wisest to look a little further; and so the next evening he told Mabel to bring all the tradespeople's books to him the following Monday, that he might look over them before they were paid.

Here, again, he found several items that never appeared in former accounts, and he soon saw that the sum he had allotted for these expenses had already been exceeded; so that to pay the draper's bill and the excess on her housekeeping expenditure would quite absorb the fifty pounds Mabel had asked for.

Mr. Randolph sat pondering for a long time as to what he should do. Certainly this expenditure must be curtailed somehow, or his business would come to a standstill; and then where would his children be?

So he decided to make an appeal to Mabel, and he pointed out to her several items in her housekeeping expenses that were certainly excessive. "Now, you must try and prevent this in future, Mabel. Understand, once for all, I cannot afford it; and if we cannot make the sum I have set apart cover expenses as things are, we must do with less servants."

"Do with less servants!" uttered Mabel, aghast. "We have only three now."

"And some people have to manage with one," quietly remarked her father.

"But we couldn't papa; it would be impossible."

"Not at all impossible, my dear. I do not say it would be pleasant to make such a change, but it will have to be done if you cannot keep the expenditure down a little more. I tell you what would be a good plan, and what your mother did, I know, at one time. You and cook both keep a slate, and put down everything that comes in. At the end of the week compare this with the accounts sent in by the tradesmen, and you can then detect whether there has been any mistake or overcharge. Mind, Mabel, I insist upon this being done," added her father, seeing she looked anything but pleased at the suggestion.

"So mean, so stingy!" murmured Mabel, as she went out of the room, never considering that the careless way in which she had controlled the expenditure was a wrong to her father, and might bring them all to poverty if left unchecked.

(To be continued.)

THE ROMANCE OF THE BANK OF ENGLAND;

OR,

THE OLD LADY OF THREADNEEDLE STREET.

By EMMA BREWER.

CHAPTER VIII.

I AM also the printer of the postal orders, which are printed on the same paper as my notes, but with blue ink.

I also print the Indian bank notes, which are green and black.

Cheques, I should tell you, are made in colours which cannot be photographed.

If you look at my notes you will see that I promise to pay the amount named on each, whatever the amount, whenever it shall be demanded of me.

On an average I get back daily about* 57,000, nearly as many as I send out. The return of each one is as strictly entered as its going out, and the character of its work duly recorded.

Once returned, I never make my notes do duty a second time; the cashier's name is torn off and put into a sack, and the notes, minus this corner, are carefully packed away in boxes, according to their date and number, and put into the catacombs for five years.

The underground apartment where they are lodged is a series of streets of wine bins, only instead of bottles you have school boxes full of my notes.

So carefully are these packed, and so exact is the knowledge concerning them, that if any information were required about any individual note it would be forthcoming in the space of a few minutes.

It will give you a little idea of the stores of old notes if I tell you that in the course of five years I get back on an average 77,745,000, the original value of which was over £1,750,626,600 and their weight about ninety-one tons. Just imagine ninety one tons of my thin flimsy notes!

These notes fill 134,000 boxes which, if placed side by side, instead of in the bins as I have described, would reach 2¼ miles.

Again, if these notes, thin as they are, were placed in a pile, they would reach to the height of 5⅔ miles; or if they were joined end to end would form a ribbon 12,455 miles long, and their superficial extent nearly as large as the whole of Hyde Park; and fancy, if you can, that all this is repeated every five years!

I used to have the old notes burnt in the daytime in an iron cage in one of the yards, but as complaints were made that this process filled the City with tinder, I have them now burnt at night.

Two sacks are filled every week with merely the cashier's name torn off from the returned notes.

It has been ascertained that 512 of my notes for £10 each weigh one pound.

Sometimes the notes come back to me in all the beauty and crispness of youth, having done scarcely a day's work, while others come back hardly able to hold themselves together from age and work combined.

One poor old thing returned to me the other day, having been out a hundred and eleven years!

I never refuse to accept one, even though it be in rags and tatters, provided I can recognise it as mine.

I have always had clever people about me to assist me in cases of difficulty about my notes, and I have looked on with wonder and admiration at the way they often manage with the sharp point of a penknife, a fine camel's hair-brush, and a basin of warm water, to bring out notes sufficiently clear for me to see my obligation to pay from a mass of mildewed rubbish, which has perhaps been hidden away for months in a damp cupboard or even in the garden.

It happens occasionally that notes go utterly to the bad or are irretrievably lost; when it is

* The day before I went last year, June 30th, 1886, 55,000 notes were paid into the Bank, of the value of £990,000.—E. B.

so, I am so much the richer. I remember once placing to my credit no less an amount than one million three hundred and thirty thousand pounds, the value of notes which had been either lost or destroyed in the years between 1792 and 1812.

It is true I have on the other hand losses to record, and now and then of large amount, as in the case of having to pay twice over thirty thousand pounds rather than it should be said I was not equal to my promise.

I call that my music room where the testing and counting of my notes goes on all day long, giving out a sharp, crisp, pleasant body of sound such as no other quires (choirs) in the world could produce, and which you must hear to appreciate.

I have been looking over some old letters and diaries to see if there be anything of interest for you about my notes while they are at work in the world, before taking leave of them for £ s d. I think you will be pleased with the following; of course I cannot vouch that the matter has not found its way into print before this, but as it was made known to me as something to be dotted down in my note-book, I will venture to relate it to you.

Far away in the north of Scotland there was a bridge over a mountain pass, kept by a poor old woman who earned her living by receiving any toll the passers over might feel inclined to give. This poor woman had made it a law for many years past to devote the toll of one special day to Missions, whether it were little or much.

This particular day was close at hand, but she had never been so poor; her rent was due, and she had not a penny put by towards it. She was in despair.

The morning of the Mission day arrived, she took her seat at the bridge, but nothing came into her pocket.

Presently, however, she saw two ladies approaching with their attendant, who on arriving at the bridge fell into pleasant talk with her and drew from her all her little history. On wishing her good-bye the elder of the two put something into her hand. When they had passed out of sight, and not before, she ventured to look, and, behold, it was a sovereign, a coin she had rarely seen and certainly never had possessed.

"Here," she said, joyfully, "is my rent and everything I need."

But in a moment she remembered it was the Mission day, to which every penny she took was without exception devoted.

She debated long with herself as to the possibility of one day being as good as another for giving the money. It surely could not matter whether she gave the proceeds of to-day or the proceeds of to-morrow so long as she gave the whole of one day's toll. However, all the time she knew and felt it was not the same, and that she ought to keep the contract she had voluntarily made for herself. So after a severe struggle she dropped the only piece of gold she had ever possessed in her life into the mission-box, murmuring as she did so, "I must leave the rest to God," and then went supperless and penniless to bed.

She arose next morning hopeless and weary, when to her surprise a letter was put into her hand, an event truly astonishing in her quiet, uneventful life. She opened it, and out fell one of my notes for *five pounds*. She was altogether bewildered, for on spelling through the letter she found it was from the two ladies who had talked so long and kindly with her yesterday. What was her amazement to find that these visitors were the Duchess of Kent and the Princess Victoria. How happy and proud the poor woman was! Money enough for the rent, and for many a day to come. There was the sense, too, of having overcome temptation, and of the honour of having spoken to royalty, and of their kindness and interest in her.

And I—well, I was very pleased that the royal ladies had made anything belonging to me an instrument of conveying help and happiness.

The next little anecdote is not to my credit, and for that reason I have chosen it.

Some ladies offered an old Scotch landlady one of my notes in payment for their lodgings. The old lady demurred to taking it, but the ladies remonstrated with her, saying, "It is not a provincial note, but a real Bank of England note; it is just as good as gold."

"Aye, aye, maybe so," retorted the woman; "but I hae nae muckle opinion o' the Bank o' England."

And now for my other tools—*pounds, shillings,* and *pence,* or £ s. d. The two horizontal lines are thought to be an abbreviation of S to signify sterling*. I should like to go into the history of how we became possessed of a gold coinage, but you might think it dry, and as I am particularly anxious to make my interviews with you pleasant, I will merely say that coins are small pieces of metal stamped by authority, and that those made of gold are naturally of high value, for the material itself is of great worth and very expensive to get from the mine.

I think I have told you that one of my sources of profit is derived from the purchase of bullion or bar gold, of which the sovereigns are made.

I do not mind telling you, as I am letting you into so many of my secrets, that I buy bar gold of standard purity for £3 17s. 9d. an ounce, and that I keep it in my cellars until it goes to the Mint to be coined. Perhaps you would like to see it; if so, pray come with me, but you must not mind being strictly watched.

It is a rule that beside the person who precedes you into this cellar, two follow closely after you, locking the door behind.

It is, as you see, a sort of circular cellar with trucks standing round it, each truck containing about £80,000 sterling, or on all the trucks together £21,000,000.†

The bars of gold look like fat bars of honey soap, and are in a like manner arranged. Each bar has a number, and no two bars are alike in weight.

When these bars go to the Mint they are made into sovereigns, each coin to contain twenty-two parts of gold and two of copper.

Before leaving this part of my premises I want you to see my wonderful weighing machine; the scale is kept weighted, and large as the instrument is, it is so marvellously adjusted that it weighs and marks on its dial even the minute weight of a postage stamp $\frac{2}{100}$ of $\frac{1}{2}$ an ounce. It cost me two thousand guineas, but I am very proud of it.

You see for yourselves how richly stocked my cellars are, and you have experienced how very strictly they are guarded. You may judge, then, of the fright I had when one day a curious sort of letter was put into my hands, as unlike those I am accustomed to receive as possible. I opened it, and read that the writer had been employed for some little time in or about the sewers, and while at his work he had found a space in my underground premises quite undefended—that he had more than once stood within the Bank.

Further, he went on to say that if he received a promise from me that he should not be punished for the knowledge he possessed, he would at a certain hour of such a night be at a definite spot to meet anyone whom I might send, and point out the spot by which he was able to enter.

I called the most trusted of my people together, and it was decided who should meet this man.

Surely there he was *at the time appointed,* and by his means we were able to make the place secure.

As you may think, we rewarded the man liberally who had done me such good service, and all the more that he had been most discreet, never having mentioned it to a creature.

Now I want you to come upstairs with me and see a most exquisite machine which is almost human, inasmuch as it does not move a stroke without first pausing to think.

Before you see it working, you must know that when sovereigns are sent out from the Mint they should weigh 122.5 grains, and so exact is the weight that you will not find a variation in one out of 5,000.

Well, as long as they keep this weight they are legal tender, and worth to you twenty shillings; but in course of time they lose weight, first by honest labour or friction, and secondly by a dishonest practice known by the name of "sweating."

Sooner or later, like the bank notes, they come back to me, and as surely as they do so they must submit to be tested, and wherever a sovereign fails of its proper weight, it is clipped and set aside, and the person or the bank that sends it to me must bear the loss.*

The machine that I call the thinking machine I want you to notice specially. It is small and self-acting, and with unerring precision records the weight of the sovereign.

You see a little glass platform with a box on each side of it; over the platform in a slanting position is a tube just large enough in circumference to hold sovereigns edgeways, and long enough to hold about two hundred.

One by one the sovereigns drop on to the platform, and here it is that the thinking takes place—there is a pause. If the coin be of correct weight it passes into the little box at the right, if incorrect it passes into the box at the left, and thus it goes on hour after hour, never in a hurry, never making a mistake. All those coins of light weight are taken to another machine, which clips them, and thus prevents their further circulation. Referring to the "thinking" machine—it was being shown one day to a person who was much interested in its workings, when he remarked: "And thus it is that the reputation of thirty-three sovereigns a minute is established or destroyed."

My people tell me that in about thirty-five thousand sovereigns the average loss on each is twopence three-farthings.

Curious tales reach me from time to time about notes and coins as they are out doing my work. One is curious concerning a certain half-sovereign which may already have found its way into print; at all events, I have never seen it, nor perhaps have you.

It tells of a poor soldier who entered a barber's shop, and said to the man, "I am bound to be with my regiment at a certain time or I shall be taken and shot as a deserter. To do this I must take the stage coach, but I have not a penny with which to pay the fare. Would you lend me half a sovereign? I am very poor, and do not know when I can repay it, but I will give you a recipe for blacking which no one knows of but myself, and which I have always used for the officers' boots, and found excellent."

The barber believed the story, gave him the money, and took the recipe. After the soldier had gone the barber thought he would try it, and found it so good that he continued to make and sell it, thereby laying the foundation of *Warren's Blacking trade* and making his fortune.

And now we come to the shilling. Its

* Refers to the purity of those Eastern pieces of silver or early Arab coins which found their way to the West.

† That was the sum on the day of my visit.—E. B.

* On the day of my visit one was found to be 5s. 3d. light. Of course that was not by honest wear and tear. —E. B.

origin is doubtful; it may be Saxon and mean sound or division; or it may be Latin, and mean a quarter of an ounce.

It was not until the end of the 10th century that there was a shilling of twelve pence, and that twenty of these made a pound; and even then it existed only in theory, or in the keeping of accounts, for there was no silver shilling until the reign of Henry VII., and the shilling in Henry VIII.'s reign was as large as our half-crown, only thinner.

With regard to the penny—it is more ancient than either sovereign or shilling. The first mention of our penny as a coin was during the Saxon Heptarchy, and signified then a small pledge or token; it was of silver and equal to $\frac{1}{240}$ of a pound, which weighed about 5,760 grains.

The purchasing power of a penny was much larger in A.D. 1000 than now, for thirty of them would then purchase an ox. It was not until 1797 that copper pennies were issued by royal authority, and these had a broad rim and weighed one ounce avoirdupois; they remained in circulation until 1860, when they were replaced by bronze pennies.

You will quite understand that occasionally it is absolutely needful I should take a holiday. Well two years ago I was staying for a few days at the seaside, and one morning, sauntering along the beach, I saw a great number of children of all classes sitting round in a circle on the sand, and one or two outer circles occupied by grown up people of both sexes.

I have so few opportunities of seeing people and things outside my own immediate circle, that I am naturally inquisitive when I find myself in new scenes and among young people, and therefore felt curious to know the meaning of the gathering. Judge of my surprise when, as I took my seat in the outer circle, I saw a gentleman in the midst of them, and heard him ask in a bright, cheery, voice, "Well, children, have you all brought a penny this morning?" My first thought was "What on earth can he be going to do with one of my servants, and *that* the least valued perhaps of all my coins? This concerns me, and I must be ready to assert my dignity if it be necessary."

So I listened, and as I did so, I found I had never known what a penny could do or what a penny could teach till that morning.

I wonder if you would care to know what it was that I heard and what it was that changed my views concerning my penny, the highest value of which hitherto was that it was the fraction of a pound. You would not think, perhaps, that living as I do by money, surrounded by money, and occupied with money, that I could be interested in what is known as good things; but you would be wrong.

Well, never mind how that may be, this is what I heard. I cannot here give you all that was said, only the notes that I then and there entered into my note-book.

A penny is metal dug out of the earth, washed, and put into the furnace to soften it.

Its form is round, and has no angles.

It is stamped with the image of the reigning sovereign.

There are two letters on it—*D.G.*, Dei Gratia (by the grace of God, unmerited favour).

Another two letters—*F.D.*, Fidei Defensor (Defender of the Faith).

Britannia is looking out to sea (on the world), with a trident in her hand (Faith, Hope, and Charity).

She wears a shield with a cross on it (Shield of Faith).

Helmet on her head (Helmet of Salvation).

Lighthouse on a rock to direct ships at sea (God's Word).

Ship (Church with teachers and laity). In time of danger all hands on board.

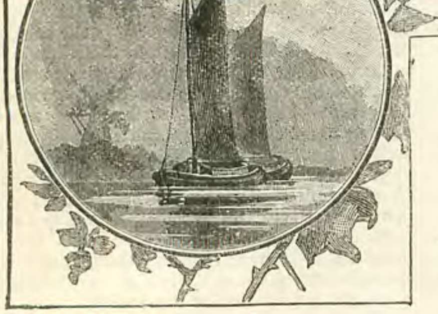
Cargo (the fruits of the Spirit).

Sailing towards the Haven where we would be.

Coin, if put away would rust; by use only is it kept bright, for the King's service.

And with all this for you to think about, I shall close this my last interview but one.

(*To be concluded.*)



ANSWERS TO CORRESPONDENTS.

EDUCATIONAL.

ZENOBIA.—We do not think you need advice, so much as to make up your own mind on the subject of the medical profession, and we fear you are only half-hearted at most. The best opening for lady doctors is in India, where they do well.

DAISY R.—The term "Exhibition," as used at the English Universities, first means an allowance or bounty for the maintenance of scholars under certain conditions. The term is a very old one, and may be found in use by Tyndale and other writers of his day.

READERS OF THE G.O.P. (Hereford).—The average wages paid to nurses in training appears to be about £11 or £12. The year of probation is either with or without uniform, and they are further expected in some hospitals to remain in the service of the institution where they were trained for a further period of three years, during which time their wages rise to £22 or £25 per annum. You should inquire by writing to the hospital, with a stamp for reply.

THOUGHTFUL MADGE might apply to the Deaconesses Missionary Training Institution, 41, Ferntower Road, Mildway Park, London, N., and make inquiries about being trained as a missionary. But we fear, by her poor handwriting and diction, that therein would lie the first difficulty. In order to be of use as a missionary, education is needed, as well as zeal. Why not become a Sunday-school teacher? or something to help at home? There is great want of help amongst ourselves.

A DUNCE.—Your letter and the sentiments it contains and evidences do you great credit. You did wonders in a school time of two years only, and your writing is very pretty. If you do not obtain a satisfactory situation as a nursery governess, how would you like to be a hospital nurse? or to go to India as a Zenana Missionary? If you would like the latter, write and consult Miss Ballard, Secretary, 2, Adelphi Terrace, Strand, W.C.; or Miss Webb, 267, Vauxhall Bridge Road, S.W. Pray for Divine guidance.

COOKERY.

AMY BLANCHE.—Perhaps the easiest way of making "Hot Cross Buns" is to obtain some dough from a baker, and knead the spices into it. An old recipe for them is as follows:—Put two and a half pounds of flour into a wooden bowl, and set it before the fire to warm. Then add half a pound of sifted sugar, some coriander seed, cinnamon, and mace, powdered finely. Melt half a pound of butter in half a pint of milk, and when it is as warm as you can bear the finger in, mix in three tablespoonfuls of thick yeast and a little salt. Add to the flour and mix into a paste, form into buns; wash over the top with milk before baking.

PEGGY.—For the "Girl's Own Cookery Book" write to 56, Paternoster Row, E.C. Price, one shilling and postage.

IRELAND'S CHILD.—You can use the soda and cream of tartar instead of the yeast—or sour milk, or butter milk.

"J. PEN."—The "table laid," a coloured plate, will be found in vol. vi., p. 518.

M.B.—Parmesan is a celebrated kind of cheese made of skimmed milk, which owes its rich flavour to the sweet herbage of the meadows of Lombardy, near Parma and Pavia, where the cows are pastured. It is made in a peculiar way, and flavoured with saffron. It is famous for its keeping powers, and becomes very hard, when it requires to be grated for use. The Italians use it grated to add to soup.

MISCELLANEOUS.

MATTY.—The phrase, "A wheel within a wheel," is thought to have a Scriptural origin. See Ezekiel i. 16—"Their work was, as it were, a wheel in the middle of a wheel."

A MIDDLE AGED MAN.—We sympathise with those of our readers who allow themselves to be taken in by specious advertisements of the kind you mention. We are constantly warning them, however, in our correspondence columns against trusting them. It would not in any way "repay us," as you suppose, to constitute ourselves a "commission of enquiry" into the "transactions" of any company. We wonder you had not more common sense than to suggest such a thing.

MILLY AND LILLY.—No servant should remain out after 10 p.m. The hour of her going out must depend on the household in which she lives, the hours kept, and the number of other servants. As a rule, it is better to give each servant an afternoon and evening out once a month, say, from 2 p.m. to 10 p.m., than to allow going out at night.

WILD KATHLEEN.—The names of the "Hundred Famous Women" were in *Sunlight*, the summer number of the G. O. P. for 1884.

BELL MAHONE.—The name "St. Pierre" is, no doubt, French in origin, and may have been naturalized in England by the Huguenots. At the Heralds' College they would know all about it. In France, besides the Calais burgess, there have been two famous bearers of the name. The author of "Paul and Virginia" died in 1814, and the Abbé St. Pierre, the philanthropist, died in 1743.

MERLE.—Certainly, two sisters may marry a father and son respectively. There is no law—Divine nor human—against it, for the connection is not within the "prohibited degrees." Consult the table given in the Prayer Book. Had the son of your brother-in-law been your sister's son, naturally you could not have married your nephew; but this man is no relation to you.

BERTHA.—The 26th of May, 1819, was a Wednesday, and the 27th of October, 1872, a Sunday. Ask God in your daily prayers to give you His grace and aid in enabling you to restrain any exhibition of ill-temper, which is so much opposed to that gentleness, meekness, longsuffering, patience, and rendering of blessing for railing which the Scriptures enjoin. But apart from your obedience to the obligations of your Christian faith and submission to your Heavenly Master's laws, nothing could be more derogatory to you, and lowering in the estimation of others, than exhibitions of bad temper. They are very ill-bred, and entail the obligation of making apologies likewise.

MARJORY RIDLEY.—Perhaps your canary is a female, and not a singer. Give a hempseed or two now and then only, or its legs will become gouty. A little chickweed and ripe plantain-seed will be suitable for it, in addition to groundsel, rape, and canary-seed, and when moulting put a rusty nail into its drinking-fountain, or a little saffron.

A DUTCH GIRL.—We regret that we are unable to accept your story. We sympathise much with you on your sister's illness.

degree than other parts of Norway, except, perhaps, some of the southern valleys, like the Sætersdal, etc. The movements accompanying this music are very wild and fantastic, and the music itself is equally strange. The following description of it, given by the celebrated Norwegian writer, Björnstejerne Björnson, in his "Life by the Fells and the Fjords,"* will give some idea of it:—

"The music struck up, everybody became quite silent, and he began. He squatted on the floor, hopped sidewards in time with the violin, swung to and fro, crossed and uncrossed his legs under him several times, sprang up again, and stood as though he were going to take a leap, and then went on hopping sidewards as before. The violin was played by a skilful hand, and the tune became more and more exciting. Nils bent his head backwards, and suddenly kicked the beam, so that the dust from the ceiling came scattering down upon the folks. They laughed and shouted around, and the girls stood almost breathless. The sound of the violin rose high above the tumult, constantly egging him on by wilder and wilder strains. He did not withstand their influence either, but bent forward, hopped in time with the music, stood up as if about to take a leap, but shirked it, and swung to and fro as before; and then, just when he seemed as though leaping was the furthest thing from his thoughts, leaped up and gave a thundering kick upon the beam again and again. Next he turned 'cartwheels' forwards and backwards, standing up quite straight after each. Then he would do no more. The tune passed through some wild variations, quiveringly sank, and at last died away in one single long low note."

This description of Björnson's will bring before our minds this strange dance and the kind of music that accompanies it.

The love-songs and others have in all of them something of that strain of melancholy of which I spoke at the commencement, though very often the words do not always convey the same feeling. There is one very beautiful air which accompanies the words of a sort of duet between a certain Sveinung and his lady-love, Astri. They are in a kind of peasant dialect, and I had considerable trouble to get them translated into English; but at last a Norwegian friend of mine succeeded in procuring them for me. They are amusing and interesting, and I give them in the shape I received them. The form of the song will remind us of our own "Huntingtower." First the lover begins:—

SVEINUNG.

Astri, my Astri, the only one that cared for me,
Those days when you bestowed on me your friendship,
Those days when you shed tears whenever I left you,
Each Saturday night, as you may well remember,
Then I was the happiest man in the country; I would not have changed with the priest or the bailiff.

ASTRI.

Those days when you loved none but Astri,
When you did not find Svanaug more lovely than me,
Those days when quickly on foot each Saturday night you came to me.
I would not have changed with the judge's daughter,
If thereby I should have lost you.

SVEINUNG.

Henceforth only Svanaug I woo—
She who is always so kind and gentle—
She who so cleverly plays the "Langeleik."
Svanaug the fair shall now be mine.
Twice I would die with the greatest pleasure,
If that would bring joy to my darling with the beauteous eyes.

ASTRI.

Now I care for none but the smart Torgrim;
Him alone I chose among many suitors.
Sveinung! oh, Sveinung! think not of my loving you any more.
Thrice would I die if my Torgrim were safe.

SVEINUNG.

But if I left Svanaug, and thought no more of her—
If my love for Astri returned once more—
If now I will swear to be true to you—
Astri! my Astri! what then would your answer be?

ASTRI.

More beauteous than the sun which shines behind the hill is Torgrim; of that I am sure;
And you are more wicked than the fiercest wizard—
More false to me than the foam of the sea.
But still I am your most faithful girl.
Only with you will I live and die.

The music wedded to these quaint words will be found on the preceding page.

* "Life by the Fells and the Fjords. A Norwegian Sketchbook." Strahan and Co., Limited, Paternoster-row.

THE ROMANCE OF THE BANK OF ENGLAND;

OR,

THE OLD LADY OF THREADNEEDLE STREET.

By EMMA BREWER.

CHAPTER IX.

I MUST not permit this my last interview with you to pass without thanking you for the patience with which you have listened to an old woman's story, and also for the opportunity you have afforded me of drawing the attention of the present generation to my home and public life.

It will be a pleasure to me in the future to meet you in my children's reception rooms, and to be recognised by you as a trusted and faithful friend.

In our first meeting I gave you Mr. Punch's caricature of me. In this, my last, I present you with my likeness, sketched by myself as I think I am, and as I wish you to remember me.

There is a good deal of money about me; but I am not the worse for that if I use it well, as I learned when a girl from an old Saxon verse. Here it is:—

"Money is a consolation
To every man;
Yet shall every man
Liberally distribute it;
If he will that before God
Honour shall fall to his lot."

I feel lonely and sad that I am no longer to look forward to your bright faces in my bank parlour as the months go by. But I must not be swallowed up with regret at parting from you, for there is still something left undone.

You asked me at our first meeting how England came to have a debt which it has never been able to pay off.

It is a formidable subject, and one which the nineteenth century would call a dry one for girls; but we will try to get at the root of the matter without finding it weary. But you know the phrase that "eloquence is not so much in the mouth that speaks as in the ears that listen"; and so, if this subject is to prove acceptable, you must help me by a strong desire to know about it, and then, dry as it is, the knowledge will fall pleasantly on your ears.

You think that to be in debt is to be in a state of great discomfort and unrest; and so indeed it is; and, as an old woman with much experience, I say to you all—Avoid it, if you want to be happy and keep your self-respect.

But I am not asked to go into the subject of individual indebtedness, but into the debt of the nation.

It is curious that I, of all people, should be asked to do this, seeing that I might be supposed to take a one-sided view of it, as I live by it, and it is bound up with every action of my daily life. But I will not disappoint the confidence you have placed in me, but endeavour to give you all the particulars clearly, and then you can judge for yourselves of its effect upon the country.

For a beginning to this interesting story, for such it really is, we will employ the old phrase—

Once upon a time, when the people of England had money over and above what was required for their daily wants, there were but one or two ways of employing it, if they desired to make the little more. One was by applying it to some trade or industry, and the other in the purchase of land, by which means the spare cash did good both to the country and the individual; for, says an old pamphlet, yellow with age, which I came across a few days ago, "The property of this nation consists alone in the profits arising from the industry of the inhabitants, and becomes more or less as they multiply and their gains increase or diminish."

And in this quiet and respectable way money was doing its work in and for the good of England and the English, when one day it became known that the Government, which is the nation's housekeeper, was dreadfully in want of money, and had no idea where to turn for it. It had no expectations; its funds were utterly exhausted, and it had not as yet learned an easy way of supplying its wants. This was just before I was born, and therefore in the reign of William III.

There are many points of resemblance between an individual and a nation being in debt. In both one and the other it is not difficult to trace it to a cause.

There is no doubt at all that our National Debt sprang into existence by means of Louis XIV. of France. He would, I have no hesitation in saying, be very much astonished at this charge, if he could have heard it. But it is so, as you will see.

I do not mean to say that all had been smooth sailing in times previous to his reign; for I remember hearing, when quite a child, that there had been money troubles in the reign of Henry VI., and that Charles II. was so angry with his Government for not granting him a supply of money equal to his wants, that he sent the Duke of Buckingham into Holland with the Crown jewels, in order to pawn them, and this was done for £300,000.

There is no doubt that the seed of indebtedness was sown in the land by the wasteful expenditure and illegal demands of this king; but it assumed no real and significant importance until the time when William III. occupied the throne of England and Louis XIV. was on that of France.

With this period of our country's history I am aware that most of you to whom I speak are well acquainted; but for the sake of the few who are not, I will give a rough outline, as far as it concerns our debt.

Louis XIV., not content with having raised France to a high pinnacle of fame, busied himself with Holland, and, for purposes of his own, wrought sedition between the great houses of De Witt and the Prince of Orange.

The country was overrun by French troops, until they were driven back by the voluntary act of the Dutch in opening the gates of the Zuyder Zee upon them.

You can easily imagine after this that Louis of France and William of Holland were bitter political and personal enemies.

We have nothing to do here with the Edict of Nantes, except to say that he thus raised against him an opposition both political and religious, and that one of the most vehement of his opponents was the young Stadtholder, who, by a concurrence of strange events, was invited to take the throne of England.

This naturally brought England into the league against Louis XIV., and the result was a period of costly and sanguinary wars.

In this crisis of affairs I am sorry to say that the resources of England were exhausted, and her credit was pawned to supply William III. with means to pursue his plans of humiliating the pride and tarnishing the glory of his foe.

It was the war of 1688, concluded by the peace of Ryswick in 1697, three years after my birth, that laid the foundation of the present enormous debt, and commenced the practice of borrowing money for the purpose of carrying on war.

Perhaps in this instance it was unavoidable, and had the same care been exercised then as in late years, the debt would not have passed outside the bounds of control; but, "having departed from the strict line of national thrift in contracting the debt, the next necessary point of departure, viz., failing to pay the principal, followed as a matter of course."*

It is an awkward circumstance either for a country or an individual to have large sums of money to pay, and nothing wherewith to pay it. It makes one set an undue value on money, and agree with Mr. Dombey that "money can do anything—anything, almost."

Sometimes help comes from unexpected quarters, but not often enough to induce those in perplexity to trust to it.

I don't think the poor harassed housekeeper of William III. could have expected that a tiny baby just struggling into life at Mercers' Hall that July morning, 1694, would prove the means of rescue from her unpleasant condition. Yet so it was. The first act in this long life of mine was, by means of my friends and governors, to relieve the Government of its trouble, and come forward with £1,200,000.

I need hardly say that the Government accepted the loan thankfully, and promised to pay it back as soon as possible.

In the meantime it agreed to appropriate certain taxes to pay me the interest of the loan, which was to be eight per cent., and a further sum of £4,000 for the management of this debt. This meant something like £100,000 a year of taxes for the people.

Now we have arrived at a clear understanding, I hope, as to how the National Debt commenced, in whose reign and for what purpose, what percentage was to be paid for the use of the money, and, further, that I was the lender, and the people of England were to be called upon to pay the interest by means of certain taxes.

THE OLD LADY'S PORTRAIT.

My firm belief is that the Government at first expressly intended to pay back the loan, as any honest individual would do, but that circumstances occurred which tended so to increase the debt that all hope of paying it back was destroyed. This being so, the honour of the nation is impawned to pay the interest perpetually.

But I am forestalling. I must go on as an old woman should—regularly, without haste.

As I said just now, the debt did not remain stationary, but, owing to various causes, went on steadily increasing, and it must be clear to you that the large sums which the Government was able to borrow from time to time was more in proportion to the wealth and prosperity of the nation than to my resources.

When it was suggested to me that the nation was in difficulties, and I must find the means of extricating it, I published throughout the land that a certain sum was required by the Government, for the use of which it would give a certain interest. I offered it for sale, as it were, and men having money found that more could be got for it by bringing it to me than by using it in trade or industry, and therefore withdrew it from these, and laid it at my feet.

I did precisely as Allsopp and Guinness did a month or two ago, and with similar results.

One view of this debt always strikes me as curious, which is that the lenders pay their own interest, although they may *not* be aware of it. The interest of the money lent is paid by the taxes of the country; and who pays the taxes? Why, the people, including the lenders.

National indebtedness must of necessity entail burdens upon the people.

An old pamphlet of a hundred and fifty years ago says:—"The National Debt is a share out of the profits and expenses of every inhabitant of Great Britain, which he is bound to pay for, as there is not the slightest chance of its being paid off."

Does a person or a nation hopelessly in debt ever sit down calmly and impassionately to think how *the money borrowed* was spent, and if a particle of good was done with it? and to ask with a groan, "Is anyone so miserably, so hopelessly involved as I?" If so, let us follow their example.

Not quite two hundred years have passed since I proudly lent my first money to the Government, and now the debt is over seven hundred and seventy-five millions, entailing on the people the burden of more than twenty-eight millions a year for the payment of the interest and management.

What has become of it? On what have these vast sums been expended?

Among other things there was the war with France, which ended with the Treaty of Ryswick?

There was the Spanish Succession.

The war with America and the Crimean War.

Is there nothing, then, that we can look on with pleasure?

Yes, there were two very honourable causes of an increase in the debt, which may fairly be admitted. The one was freeing the slaves in the colonies, which cost twenty millions of money, and relieving the Irish famine in 1847, which cost ten millions.

National Debt seems to be in this age so universal an institution, that it has been described as the first stage of a nation towards civilisation.

Since the year 1870 our National Debt, large as it is, is by no means the largest. Efforts have been made to reduce the debt, and it is something to our credit that England was the only European Power which in the long years of peace following 1815 attempted to pay off her debt.

You have, no doubt, heard of the Sinking Fund in connection with the National Debt. It is formed by setting aside a certain amount of national revenue for the reduction of the principal of the National Debt.

A very great deal has been written against the National Debt and its evil influence on the nation; but I do sometimes picture to myself the utter confusion into which we should be thrown if one day we awoke to find the nation had the means of paying off the whole debt. I and my children—indeed, the whole family of Funds—would lose our lives, and money would fall into the hands of its owners in such heaps that there would be no means at hand for investment.

The debt may be bad or it may be good for the nation; but I wish every one of you to whom I am speaking were large lenders, even though you had to contribute towards the interest.

Of course I have only been able to trace the barest outline of this subject, which you who are fond of history can fill in for yourselves. It is full of interest, and will well repay looking into.

And now there is nothing left for me but to thank you for listening to me, and to beg you to keep a corner of your heart for The Old Lady of Threadneedle-street.

[THE END.]

* See Burdett's "Official Intelligence."

THE OLD LADY OF THREADNEEDLE STREET.

To the Readers of "The Girl's Own Paper."

Notwithstanding the amount of worry, press of business, and personal sorrow with which I have been overwhelmed of late, I have been troubled on your account, lest any of you whose acquaintance I made last year should be suffering inconvenience from the change which is coming over my family of *Stocks*.

I feel it my duty as an honourable old lady to remove this inconvenience if I can, and have therefore asked permission to write you a few lines. I would gladly have invited you to my parlour, but that I cannot get into it myself, so full is it of papers and parchments, and of clerks and servants occupied in preparing the settlements.

It is not good for me to be hustled about at my time of life, but I dare not show any sign of weakness or incapacity, or what would become of the nation?

It seems strange, even to me, that I, a woman of nearly two hundred years old, should at the present moment be the theme of every tongue alike in the Houses of Parliament, the club and the cottage—and that newspapers devote columns to me and my doings, while only a short paragraph is bestowed upon our Queen!

It is true that the newspapers are not very explicit as to the present crisis in my life's history; but they draw attention to me, which is a compliment every woman appreciates, whether she live in Threadneedle Street or the West-end.

But to business. You will remember how in making my family of Funds and Stocks known to you last year, I begged you to select for your friends two of my children, viz., "The Consols" and "Reduced Threes," rather than other members of my family; and the reason I gave you was that they were steady and reliable and did not lose their heads at critical moments of the nation's existence, as did others of my children; I daresay you gathered in fact, from my ramblings, that they were the very joy and pride of my old age.

Well, it is something that has happened to them and to a sister of theirs which is the cause of the excitement and anxiety noticeable in every class of society, and which will leave me more sad and lonely than I have felt during my long life.

This something is difficult to describe—it is not exactly a marriage, nor is it precisely a death, but it partakes of the nature of both.

This one thing, however, is certain, that in their old and familiar forms they will appear no more to those who have loved them, and their names which have stood so high in the world will be heard no more. Can you imagine the old lady of Threadneedle Street without her "Consols," her "Reduced Threes," or her "New Threes"?

The very virtues of these my dear ones have caused them to be selected as a sacrifice for the *General Good*. This is a phrase I do not like, for I have always found that it means pain, anxiety, and deprivation to the minority who are the poor or comparatively poor.

To understand the position in which we find ourselves to-day, you must call to mind what I formerly explained to you, viz., that in days past our nation was always in want of money for one thing or another, and began borrowing on a large scale through me of any of its people willing to lend.

In answer to these appeals a large number of persons came forward with their means and entrusted them to me for the nation's use, in consideration of certain advantages which would increase their income without squandering their capital.

Of course as a responsible agent I entered the name of every lender in my book, together with the sum lent, and being even then a very orderly person, I classified the lenders and their money according to the year in which the money was lent, and according to the interest given for the use of the money, which was greater or less according to the need of the borrower. These debts of the nation I classed under the titles of Consols and Reduced Threes; and the people to whom the money was due I called stockholders; so that I had everything clear before my eyes.

All this I tried to make clear to you last year, and I ventured to say then, that if ever the time should come that the nation would be able to pay off its debts, it would be a calamity to the stockholders, and not a blessing. An inkling of the truth of this may be seen in the present moment, when the dealing with an infinitesimal portion of the debt produces anxiety and fear among the lenders.

The Governments under which we live in this nineteenth century are not conspicuous for their borrowing powers; on the contrary, they are prudent and respectable, and make it a point of honour to attack the monster debt of the nation, if so be they may knock off even the fringe of it.

This can only occur when a Government possesses the advantage of a very talented Chancellor of the Exchequer. Just now there is such an one, with a head so clear and a will so determined, that I, the greatest lady in the land, have to bow my head before him and be his very humble servant.

Figures are to him playthings—he must have been nourished and brought up on figures—figures must have been his constant companions from his youth upward; his rooms must have been papered with figures—his meat, drink, and dreams must consist of figures; indeed, he is the very embodiment of figures, or he would not have turned the financial world inside out as he has done, without calling down upon his head the wrath of the nation.

It is not to be supposed that such a man would live his days of office with such a pyramid of national debt before his eyes, darkening his sunshine and hiding from him the prospect behind it. "It is built up of figures," he says, "and with figures I will begin the process of annihilation. A Chancellor of the Exchequer does not continue in office for ever, therefore what I do must be done at once." And this is what he has done.

With his army of figures well placed on the field, and held and directed by a master hand, he commenced the attack, and the first to fall were my three dear children, Consols, Reduced Threes, and New Threes.

And would you believe it, when he saw my grief and the mortification of all who had had intimate dealings with them, he said, "I pray you do not grieve; they were but made of figures, and with figures I will build you up another daughter and friend, which shall surpass these in beauty, in form, and reliability, and no change shall pass over her for thirty-five years? It is true the old forms and old names will be no longer seen or heard among you, but my 'New Consolidated Two and Three-quarters' shall be an attraction none of you will be able to withstand; but if I am to do this, you must rally round me and help me to pick up the pieces."

Let us see how we can do this, for to resist such a will as this Chancellor of the Exchequer's is to beat our heads against a stone wall.

I, your friend, have thought it all over, and were it not for the small holders of stock among you I would not grieve so much, because those of large incomes will be recompensed in a measure for any change they make, in a reduction of income-tax which is to be made at once.

It may be that many of you, having a few hundreds to spare, followed the old lady's advice and bought stock in "Consols" or "Reduced Threes," hoping thereby to get through this act £3 a year for every £100 so bought.

It may be, too, that some of you are sick, and aged, and unable to improve your income by mental or physical labour, and derive your entire means of living from the interest of a thousand or two thousand pounds in the Funds, and that with great economy and self-sacrifice you may make the two ends meet. It is upon these that the change will fall disastrously, for the borrower, which is the Government, not having so much need of your money, will for the future only give £2 15s. for every hundred you lend, instead of £3, as heretofore. In making this change certain advantages have been offered to the holders of stock in the Consols and Reduced Threes, but I fear that unless these holders have private bankers they will not see clearly what is to be done to secure these advantages.

It would be a great comfort to me if the clergymen and bankers of country towns and villages would by means of a lecture or letter make a crisis like the present clear to the poorer people among whom they live. So very few people understand the working of my household among those who should be benefited, that for the want of a little explanation they suffer loss and unrest.

As regards all who have money in the "Consols" and "Reduced Threes," it is necessary that they get a form at once from the Chief Accountant, Bank of England, and sign their assent to the transfer of their money from either of these Stocks to the *New Two and Three-quarters Consolidated*, which is being formed, and return it to him at once. Those who have bankers will find it easier, as they will receive a notice from them, and can go to them for advice.

Private bankers, I find, have already been most kind in giving help to those who have no claim upon them, and I thank them.

The advantage of assenting to the transfer is, that you get it done free of expense to you; you also get the dividend due in July paid you in April, and you get your three per cent. paid on the money for another year, beside getting a bonus of five shillings for every hundred pounds transferred.

Again, the new stock called "The Two and Three-quarters per Cent. Consolidated," into which your money will be placed, will be the most secure of any in the market, and therefore, all things considered, the loss to the holder will be much lessened if the advantages offered by the Chancellor of the Exchequer are accepted.

I quite know how difficult it is to translate the language of the Stocks and Funds in such a way that everyone may understand it, and in times like these, when that which nearly concerns us is being subjected to change, the want of knowledge is so productive of distrust and anxiety, that I may be pardoned for again expressing the hope that the School Board will see fit to have this language taught in their schools in the future.

I hope these few lines will reach you in time to be of service; at least they will show you that I, the old lady of Threadneedle Street, do not forget the friends I made last year.