

older art is often intentional; it is accounted for by a careful examination and a certain knowledge of folk-psychology. The folk has its traditional and secular fashion of conceiving beings and things; delicate literature and refined art do not captivate it. Masters of the pencil, great and noble artists, have sought to renovate folk-pictures, but their efforts have been barren; their pictures, skilfully made, but executed according to classical canons, do not sell. They lacked the gift of stirring the folk-soul. . . . To-day the picture is the negation of art. The folk loves what is harmonious in color, and what affects by expression of the line and originality of the word. The modern picture, with its academic drawing, its discordant chemical colors, its banal and pedantic prose, its colorless verses, possesses none of the appreciable qualities of the old picture.

The earliest folk-pictures seem to have been of a religious nature. Subsequently they became legendary, military, realistic, anecdotal, satirical, philosophical, political, documentary, and vulgarizing. It is rather surprising to find so small an element in these folk-pictures that can be regarded as directly literary. Not standard-printed books are the chief sources of the tales treated in these pictures; the subjects are drawn from songs and *facetiæ* widespread among the common people, or have been invented out of hand. It has often happened, of course, that the publishers have made use of plates from such books as the "Fables of Æsop," but this has been because they were able to obtain such cuts cheaply. It is not until towards the beginning of the nineteenth century, when publishers began to copy the competing pictures of the neighboring countries, that the tales of "Mother Goose," "Robinson Crusoe," "Gulliver's Travels," and the like, figure in the folk-pictures of the Low Countries.

The makers of folk-pictures were great plagiarists and shameless copiers of one another's art, and in the transferences which they made, not a few blunders occurred both in the arrangement of the cuts and in the wording of the legends accompanying them. In some cases little attention was paid to historical accuracy, the same picture, *e. g.*, serving for several entirely different things. Thus the picture of Mary, wife of William of Orange (afterwards King of England), is found doing duty for all the princesses of the House of Orange down to the Revolution; and about 1820, although his features must have been almost universally well-known, a fairly good picture of Napoleon was put out as representing the hereditary prince of the Low Countries.

The authors announce their intention of publishing in the near future a less extensive Dutch edition of this book, which has been given a French dress in order to obtain a wider circulation for the data it contains. Certainly no collection aiming to illustrate the history

of folk-art can afford to be without this monograph.

Finance.

STRENGTHENING A BANK POSITION

When the surplus reserve of the New York Associated Banks reached \$55,743,000 in the middle of the present month, it established the highest record in almost exactly two years. Not since September, 1908, had it reached so large a figure. Furthermore, it may be said that in only three of the past twenty-five years have the banks reported a larger surplus than last Saturday's—in 1908, 1904, and 1894. Those were three periods of industrial reaction, and they followed in each case a season of prolonged Stock Exchange liquidation. The aspect in which the present abnormally large bank surplus differs from those of the other years referred to is the rapidity with which it has been created. The \$65,170,000 maximum of two years ago was touched on August 22, 1908; the chapter of liquidation of which it was the sequel had begun in March, 1907. The \$58,613,000 high level of six years ago was reported on August 20, 1904; but the liquidation movement had continued since March, 1903. The \$111,623,000 of sixteen years ago appeared on February 3, 1894; but the markets had begun their reactionary movement in March of the preceding year. In the present instance, it is less than eight months since even the Stock Exchange liquidation began.

The reason for such abnormal increase in surplus bank reserves at the larger money markets, after a season of financial and industrial reaction, is simple. The surplus reserve represents the excess in a bank's cash holdings over the sum which would make up the 25 per cent. of net deposits required by law. Such an excess might be created by unusually large addition to cash holdings, or by unusually large reduction in the deposit fund. Reduction of loans cancels an equivalent amount of deposits. Therefore, when surplus reserves mount up to unusually high figures, it is to be presumed that banks have either been taking large amounts of currency into their vaults or else have been heavily curtailing loans. As a matter of fact, it is the cash account which has usually been responsible. When the New York surplus reserve touched the high-water mark in 1904, cash holdings were \$111,000,000 above the same date the year before, but loans were also \$181,000,000 larger. So, too, of the highest surplus of 1908, when cash holdings, as compared with the year preceding, were up \$141,000,000 and loans \$212,000,000.

The common explanation for such a loan expansion, at an hour of financial

and industrial reaction, is that a banker naturally seeks to employ his increased resources, and that he is enabled to do so, on a considerable scale, by redeeming loans which had previously been placed in foreign markets, or by taking over, from our own interior markets, loans which had previously been carried by institutions there. It is undoubtedly in this way that the New York Associated Banks have found opportunity to increase their loans \$63,000,000 in the past four weeks—a period when Eastern trade was exceptionally dull and the Stock Exchange demand for credit exceptionally light.

Last Saturday, the weekly bank statement, for the first time since the close of June, reported a decrease in the surplus reserve, and this week the movement of currency, which for weeks has been away from interior markets and in the direction of New York, seems to have reversed itself. From now on, the West and South will be drawing currency from the East for harvest purposes. In the five months after the high August surplus reserve of 1904, this outflow drew \$73,000,000 in cash from the New York banks; in the similar period after the maximum surplus of 1908, it drew away \$67,000,000. It is hardly to be doubted that a similar process will be at work this coming autumn. Nevertheless, the salient fact remains that the New York banks, which six weeks ago were in no position to encounter satisfactorily the autumn money-market requirements, are now in an exceptionally strong position. As against the present surplus reserve of \$50,000,000, the banks reported only \$19,500,000 a year ago this week, and less than \$10,000,000 at the corresponding date in each of the three years 1905, 1906, and 1907.

BOOKS OF THE WEEK.

- Booth, E. C. The Doctor's Lass. Century Co. \$1.30 net.
 Coker, F. W. Organismic Theories of the State. Columbia University.
 Corbin, T. W. Modern Engines. Fenno. 75 cents.
 Crocker, F. B., and Arendt, M. Electric Motors. Van Nostrand. \$2.50 net.
 Everett, L. L. The Closed Book, and Other Poems. Wessels & Bissell Co. \$1.25 net.
 Graves, H. S. Protection of Forests from Fire. Washington: Government Printing Office.
 Godfrey, E. The Cradle of a Poet. Lane Co. \$1.50.
 Howland, G. C. Elementary Lessons in English. 2 vols. Chicago: McClurg.
 Hazard, R. H. The House on Stilts. Dillingham. \$1.50.
 Hilkey, C. J. Legal Development in Colonial Massachusetts, 1630-1686. Columbia University.
 Hill, R. T. The Public Domain and Democracy. Columbia University.
 Howard, C. The Passover (an Interpretation). Fenno. \$1 net.
 Hume, F. The Peacock of Jewels. Dillingham. \$1.25.
 Kelly, M. New Faces. Dillingham. \$1.50.
 Klein, C., and Hornblow, A. John Marsh's Millions. Dillingham.
 MacCunn, F. Sir Walter Scott's Friends. Lane Co. \$3.50 net.
 McConnell, F. J. Religious Certainty. Eaton & Mains. \$1 net.

Mayer, A. G. *Medusæ of the World*. Vols. I and II. Carnegie Inst. of Wash.
 Müller, W. M. *Egyptological Researches*. Vol. II, Results of a Journey in 1906. Carnegie Inst. of Wash.
 Murray, W. S. *The Making of the Balkan States*. Columbia University.

Papers of the San Francisco Com. of Vigilance of 1851. I, edited by P. Garnett. Berkeley: Univ. of Cal.
 Raine, W. M. *Bucky O'Connor*. Dillingham. \$1.50.
 Rostand's *Chantecler*. Translated by G. Fall. Duffield.

Underhill, C. R. *Solenoids*. Van Nostrand Co. \$2. net.
 Walcott, C. D. *Cambrian Geology and Paleontology*. Nos. 6 and 7. Smithsonian Institution.
 Watson, G. *Forbidden Ground*. Lane Co. \$1.35 net.

Ready This Week

J. A. Thomson's Darwinism and Human Life

By the Professor of Natural History in the University of Aberdeen, author of "Outlines of Zoology," etc. \$1.50 net.
 This volume explains, without unnecessary technicality, what problems Darwin set himself to solve, his solutions and subsequent modifications and additions.
 An endeavor has been made, at point after point, to suggest how Darwinism touches everyday life.

L. P. Jack's Mad Shepherd and Other Human Studies

By the Editor of "The Hibbert Journal." \$1.20 net.

Extracts from some early English reviews give an idea of this book's importance.
 "A remarkable book,"—*Daily Telegraph*.
 "Masterly and fascinating,"—*Truth*.
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Eugene Manlove Rhodes's Good Men and True

This lively story of what happened on our Mexican border to a young man who was trying to learn typewriting, has been somewhat expanded since its serial appearance in the *Saturday Evening Post* last winter. Illustrated. \$1.00 net.

William T. Walsh's The Mirage of the Many

A prophetic novel delineating the author's ideas, unusual as far as fiction is concerned, of the results of a socialistic régime on the different classes of society. His story convinces. The scene is laid in and near Chicago in the year 1952. 12mo., \$1.50.



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