

the necessity of keeping a reserve against the government deposit. This gave them quite a margin above their legal reserve. In addition to this, Secretary Shaw has enlarged the basis of security required of banks. Formerly a bank had to deposit government bonds. Now, according to the new ruling, the bank can deposit other securities, such as state and municipal bonds. It is easy to measure the enormous privileges thus conferred upon the banks. If, for instance, a bank has a million dollars' worth of bonds which it uses as a security for government deposits it can now use these deposits to purchase a million dollars' worth of state or municipal bonds and substitute these for the government bonds. It thus has its bonds (and they usually draw a higher rate of interest than government bonds) and it makes a larger profit out of the benevolence of the treasury department. Having substituted other bonds for its government bonds the bank can now, under the law, secure a million in bank notes and loan out its money at the market rate while it draws interest on the bonds and pays a fraction of one per cent as a tax to the government.

The national bank currency system is a source of profit to the banks and they can well afford to contribute liberally to the republican campaign fund in order to retain the advantage, but why should the ordinary republican vote tax himself for the purpose of giving this undeserved aid to a few banking corporations? If the ordinary republican buys a government bond he is out the use of his money and must be content with the interest on the bond, but an extraordinary republican engaged in the national banking business can turn his bond into the bank with other bonds and the bank can deposit the bond with the treasury department and get the face value of the bond in bank notes and still draw interest on the bonds besides. The ordinary republican can either eat his cake or keep it; the extraordinary republican can eat his cake and keep it, too.

Not content with this great advantage the bankers have been demanding and receiving a large profit in the way of the free use of government money, and all of the steps taken by Secretary Shaw have been in the direction of enlarging the privileges and profits of the national banks. If the ordinary republican, in his desire to make his money as profitable to him as possible, loans out so much that he hasn't enough to run him through the winter, the government doesn't rush to his aid and correct his errors to save him from stringency in his financial matters, but the extraordinary republicans who control national banks can loan out their reserves, thus increasing their profits, and rely upon the favors of the government in every time of need. If money rates run up the treasury promptly supplies them with money to loan at the greater rate, and really makes it to their pecuniary advantage to bring a recurrence of such condition, not to speak of the speculative advantage which can be found in an unsteady market.

Whether the secretary has violated the law in his effort to rescue the banks is a question which will probably be discussed when congress meets, but that he is running the treasury department in the interest of Wall street is a question which is not open to dispute. Whether his action will frighten depositors and lead to further withdrawals remains to be seen, but he has certainly done enough to frighten the rank and file of the party and show them that our government, instead of being administered as a government of the people, by the people and for the people, is really administered as a government of the corporations, by the corporations and for the corporations. The republican voter, however, can be consoled. He can imagine himself in partnership with the big republicans of Wall street and he can use WE in speaking of the prosperity—although the Wall street end of the partnership gets the lion's share of the privileges and profits.

George Fred Williams' Platform.

The Springfield Republican, by no means a partisan of the Kansas City platform, takes the side of George Fred Williams in his fight for the indorsement of that platform and commends his presentation of local issues. The reorganizing element of the party that had pleaded so earnestly for harmony, laid aside all restraint when it found that it had by deception secured a majority of the delegates, and not only refused to reaffirm the Kansas City platform, but refused to deal in an honest and straightforward way with state issues.

The Republican, after praising Mr. Williams for his manly fight, and after warning the reorganizers to prepare for a contest at the primaries next year, sets forth that part of the Williams platform which deals with state issues. Mr.

Williams applies the principles of the Kansas City platform to all question, national and local, and the platform which he presented was characteristic of himself as well as in line with the methods pursued by those who gave to the country the Chicago and Kansas City platforms.

After an indorsement of the Kansas City platform the Williams platform reads as follows:

First—That the power of the people be extended so that laws may be made and legislative enactments vetoed by direct vote at the polls.

Second—A prohibition upon judges in equity to create offenses, and then try offenders without jury and sentence them without right of appeal.

Third—Taxation in nation and state which shall require full contribution from wealth and bear as lightly as possible on labor and the poor.

Fourth—The repeal of tariff duties which protect monopolistic trusts and the reduction of the tariff to a revenue basis.

Fifth—Liberty and self-government everywhere under the stars and stripes.

Sixth—The enactment and enforcement of drastic criminal laws against monopolistic trusts.

Seventh—The public ownership or control of public utilities.

Eighth—An eight-hour day for all labor.

Ninth—Stringent laws to prevent the use of patronage of corporations to influence legislation or political actions.

Tenth—Honest reciprocity with other nations, especially with Canada and Cuba.

Eleventh—State co-operation with the national government for the speedier improvement of Boston harbor.

Twelfth—The arbitration of industrial disputes such as the present coal strike.

Thirteenth—Not only just laws, but a party which means to enforce them.

The Tariff's Changing Defense.

Republican orators are in the habit of defending a high tariff as if it had always been a republican doctrine, and as if it were always justified by the same arguments. As a matter of fact the first national platform written by the republican party—the platform of 1856—did not mention a high tariff. That platform was written at a time, too, when the people were enjoying a low tariff, but the republican leaders did not see fit to suggest protection as a necessary thing.

The victory won by the republicans in 1860 was not won on the high tariff issue.

When the civil war broke out and the government needed more revenue the tariff was raised as a war measure, but the manufacturers were not willing to have the rates reduced when peace was restored.

A new reason had to be found and Clay's argument was brought forward, namely, that infant industries must be protected for a short time until they were able to stand upon their feet. This argument did service in several national campaigns. It was answered in 1876 by the election of Mr. Tilden, and in 1884 by the election of Mr. Cleveland.

In 1888 the infants had grown so large that they could not only stand upon their own feet, but they could run all over other people's feet, and it became necessary to manufacture a new defense. And what was it? Well, they said that a high tariff was not so much a temporary policy designed to assist infants as a permanent policy intended to give manufacturers an advantage over foreigners, just equal to the difference between the wages paid here and abroad. The republicans insisted upon comparing wages per day when they should have compared wages per piece (and thus make allowance for the greater efficiency of American labor) and under the pretense that they were securing just enough to cover the difference in labor cost the manufacturers obtained a tariff sufficient to cover the entire amount paid to American workingmen, and in many instances double that amount. The manufacturers wrote the law themselves and appointed themselves trustees without bond; they secured for themselves an enormous profit, but were not compelled to divide with the wage-earners for whose benefit they asked protection.

But now we are exporting an ever increasing number of articles and certainly no one can say that we need a tariff to protect industries which can pay ocean freight on their output and compete in foreign markets with the "cheap labor" of the whole world.

The trusts are hiding behind a high tariff wall and demanding extortionate prices from peo-

ple in this country, while foreigners are given better treatment than American citizens. A new argument is necessary, and what will it be? It has already been suggested, namely, that the beneficiaries of protection must stand together and object to any reduction anywhere. They cannot defend each schedule on its merits—they will not try—they will simply insist that the tariff must be reformed, if at all, "by its friends," which means that it will not be reformed. The republican voters have supported the doctrine of protection under the delusion that they were performing a patriotic duty; they have accepted the statements of the manufacturers without examination and have felt a sort of partnership in the industries protected, but they are beginning to learn that they have been made the victims of a confidence game. They are beginning to learn that the manufacturers who, during each session of congress, approached that body as mendicants and begged for legislation which they claimed was necessary to save them from bankruptcy—that these manufacturers not only have larger bank accounts than the taxpayers upon whom they have imposed, but have conspired together to form monopolies for the plunder of their benefactors.

The light is breaking. In Speaker Henderson's district the farmers and business men are already in revolt and the revolt will spread. On the tariff question, as on all other questions, the republican policy discriminates against the many and in favor of the few, and the masses will ultimately register a protest that will be effective.

The South Dakota Campaign.

The readers of The Commoner will be interested in the following report of the South Dakota campaign, taken from the Sioux Falls Daily Press, one of the leading fusion papers of that state.

Chairman Johnson, of the state democratic committee, upon whom also devolves the work for the populist party, announces the establishment of campaign headquarters at Armour, Mr. Johnson's home, and the appointment of H. H. Smith, formerly of Sioux Falls, as secretary of the committee. Another democratic headquarters has been opened at Aberdeen, under charge of Major C. Boyd Barrett, of the state committee, who will cover that end of the state. Having thus arranged matters the real work of the campaign will now begin on the part of the democratic forces, which means the fusion forces, under the agreement made at the Huron conventions.

Republican state headquarters have not yet been established, although Chairman Crane has announced his intention of locating in Sioux Falls and is expected to be here shortly, equipped for the business devolving upon him and his associates. His committee is fully organized and the presumption is that it will become active about the middle of September.

This is the present status of the campaign in South Dakota for the fall of 1902. By following the narrative, the reader will see that it has not progressed beyond preparation, excepting that the democrats are giving the people something to read.

Right vs. Might.

On another page will be found the statements of Mitchell and Baer. Seldom have right and might been so plainly contrasted. Mitchell has unmeasurably strengthened himself and his cause by his willingness to submit to arbitration, and Baer has increased the contempt which former utterances have excited. His impudent and insolent assumption of divine authority to control the fuel of the people ought, in his opinion, be supported by the United States army. He recognizes no obligation to others, but feels that the government is in duty bound to take his side of the controversy.

The issue is now made and the president must take sides. The people have already taken sides—they are with the strikers.

Anti-Imperialists Still are Active.

A report was recently sent out from the east to the effect that the anti-imperialists had announced themselves as satisfied with Mr. Roosevelt's position on the question of imperialism, and that they would give up further agitation. Of course such a rumor is absurd because the president has neither said nor done anything that would justify an indorsement of his course by any one who is opposed to a colonial system. He is not only imperialistic in sentiment and method,