

ern the trade and commerce are fully considered?

The paramount power of supplying nearly all the necessaries of life, which the world must have at the highest rates of wages, and the lowest cost of production, has fallen to the United States. The demand for these goods exists throughout the world, but the purchasing power which must exist in order to supply that demand is very limited. The reasons for this limitation must be considered lest time be wasted in efforts to open trade with nations that have the least power of purchase, while we neglect states and nations which possess the greatest power.

### THE DESTINATION OF OUR EXPORTS.

What makes the power of purchase of foreign countries? Before dealing with that question, the following facts and tables should be fully considered:

From the following table covering the export of ten (10) years, ending June 30,

TABLE NO. 2.  
Exports of the United States for twelve months ending June 30, 1898:

		Per cent.
United Kingdom of Great Britain and Ireland	\$540,800,152	43.92
British colonies and dependencies:		
Gibraltar	\$304,829	
Malta	64,352	
Bermuda	998,941	
British Honduras	555,179	
" No. America	84,911,290	
" West Indies	8,382,740	
" Guiana	1,792,912	
Australia	15,003,763	
British Africa	12,027,142	
British Asia	10,961,055	
	135,002,173	11.01
Germany	\$155,039,972	54.93
France	95,452,692	
Netherlands	64,274,622	
Belgium	47,606,311	
	\$362,373,597	29.43
Austria, Hungary, Italy, Spain, and all other European states	69,718,419	5.66
	\$1,108,554,341	90.02
South and Central America, Mexico, and West Indies not British	77,194,168	6.27
Asia not British	33,803,213	2.75
Oceania not British	6,387,618	.52
Africa not British	5,330,610	.44
	\$1,231,320,950	100.00

By this table it is made plain that in the last fiscal year the United Kingdom

articles bought in London, which is the center of trade:

Imports.	
Great Britain	\$109,138,365
Germany	69,696,907
France	52,730,003
Belgium	8,741,826
Netherlands	12,535,110
	\$252,842,211
Rest of Europe	53,240,003
	\$306,091,814

It will be remarked that in round figures we sold food, fibres and fabrics to European states to the amount of over nine hundred and seventy million dollars (\$970,000,000). We bought from Europe goods, including Australian wool and Egyptian cotton, to the amount of three hundred and six million dollars (\$306,000,000). The difference of over six hundred and fifty million dollars (\$650,000,000) was passed to our credit in gold by weight at the measure of the pound sterling, which is the standard or unit of value in the conduct of foreign commerce.

### SILVER ENTHUSIASTS ARE ILLOGICAL.

This huge sum was subject to our drafts, which we made for such gold coin as we needed to sustain our credit, also for the purchase of our own securities returned to this country by so much liquidating our foreign debt, now very small; lastly, for the purchase of our tea, coffee, sugar and other products chiefly bought in states or continents where silver money or paper money is used for local purposes, securing at the gold standard double the quantity that could have been bought at the market price of silver. Yet, grotesquely strange as it may seem, there are still a few illogical persons in this country who sincerely believe that it would be for the benefit of our farmers and manufacturers to make silver dollars a full legal-tender at the rate of sixteen of silver to one of gold, or at the ratio of a dollar twenty-nine and a half cents (\$1.29½) per ounce of silver, and thereby to enable our European debtors to pay us on our contracts for wheat and corn and cotton at that rate with coin made in our own mint for silver which costs British silver miners less than twenty-five (25) cents an ounce, and on which they are still making very large profits and increasing their product on a market price of about fifty cents.

Is it not manifest that the trade with Europe cannot be long upon these terms unless we become large lenders of capital to European countries? We cannot year after year sell our products for double or more of the value of what we buy from Europe, drawing gold in payments. In one or two years we should drain every bank in Europe, and we should have no use for the gold of which we now have enough. We are adding year by year to our stock of gold the product of our own mines, more than ample to meet any possible need of an additional reserve. For this reason, if

TABLE NO. 1.  
Valuation and Destination of Exports from the United States.

	Exports, 1885 to 1894.	Annual Average	Per Cent of Total.	Approximate Population.
United Kingdom of Great Britain and Ireland	\$4,060,135,619	\$406,013,562	51.12	40,000,000
British colonies and dependencies (white population 10,000,000, mixed 300,000,000)	712,054,131	71,205,413	8.97	310,000,000
France, Germany, Holland and Belgium,	\$4,772,189,750 1,809,533,982	\$477,218,975 180,953,396	60.09 22.78	350,000,000 104,000,000
Russia, Austria, and other European states	\$6,581,723,712 482,379,273	\$658,172,371 48,237,927	82.87 6.07	230,000,000
China, Japan, and other countries in Asia not under British rule	\$7,064,102,985	\$706,410,298	88.94	
Africa not under British control	116,481,826	11,648,182	1.47	
Hawaiian, Philippine, and islands not British or Spanish	6,847,818	684,782	.09	
Small unenumerated places	44,348,757 13,953,245	4,434,876 1,395,324	.56 .17	642,000,000
South America, omitting British Guiana Spanish and French West Indies, Hayti, and San Domingo	\$7,245,734,631 295,285,939	\$724,573,462 29,528,584	91.23 3.70	36,000,000
Mexico	244,755,771	24,475,577	3.08	2,500,000
Central America, omitting British Honduras	113,517,519	11,351,752	1.43	12,000,000
United States	44,053,095	4,405,309	.56	3,500,000
	\$7,943,346,955	\$794,334,684	100	1,450,000,000

1894, it will appear that the United Kingdom of Great Britain and Ireland and her colonies bought from us in round figures sixty (60) per cent of what we had to sell; France, Germany, Belgium, and the Netherlands twenty-three (23) per cent; the rest of the world seventeen (17) per cent.\*

In the fiscal years ending June 30, 1895, 1896, and 1897, a slight change occurred, due to the increasing proportion of manufactures exported to other than British countries.

In the fiscal year ending June 30, 1898, although bad crops created an excessive demand for the products of agriculture among European states, yet the increasing exports of manufactured products to all parts of the world changed the relative proportions of foreign purchases in a considerable measure.

of Great Britain and Ireland took from us a fraction under forty-four (44) per cent; the British colonies and dependencies eleven (11) per cent; France, Germany, Belgium, and the Netherlands twenty-nine and forty-three one-hundredths (29.43) per cent; Austria-Hungary, Italy, and the rest of Europe five and sixty-six one-hundredths (5.66), while Mexico, South and Central America, Asia, Africa, and Oceania other than British, were able to buy from us only a fraction under ten (10) per cent of what we had to sell.

### HOW WE ARE PAID FOR EXPORTS.

But there is another aspect of this case which is of the most profound importance. How did Europe pay for our exports? In the fiscal year ending June 30, 1898, the import of goods was as follows, even a part of these imports consisting of Australian wool, Egyptian cotton, Russian hemp and some other

\*Authority. Report of 1895. Bureau of Statistics, United States Treasury.