

suspension of free coinage—has fallen below the coinage value. Our own fractional currency was made proportionately lighter than our standard dollar when silver was at a premium, and the reason then given was that the reduction of weight was necessary in order to keep the fractional currency in the country.

10. Did not several of the great commercial nations, prior to '73, give a premium of \$30,000 on the million in their coinage of silver above our 16 to 1 coinage?

Answer. Prior to 1873 when France was maintaining the parity at 15½ to 1, our silver bullion sold at a premium of 3 per cent over gold coin, and all of the silver which we exported went abroad at that price.

11. Has the output of the world's gold and silver kept pace with population and commerce?

Answer. It is difficult to answer this question with exactness. During the last ten years there has been a very large increase in the production of gold—an increase greater, probably, than the increase in population, although we have no way of knowing the exact amount required by the arts. As commerce is stimulated by an increased quantity of money, it is impossible to tell whether this stimulation has kept the commercial activity abreast of the increasing money supply.

12. If standard silver dollars are redeemed in gold as President Roosevelt recommends to congress, would not it impose a tax on the people for an amount of gold equal to the amount of silver to be redeemed?

Answer. If the silver dollars, when redeemed, were kept in the treasury and not used, the government would have to replenish its gold reserve by taxation or by an issue of bonds. If gold continues to come into the treasury from the revenue receipts and import duties, and silver or silver certificates are issued in payment of the running expenses of the government, silver dollars can be redeemed without resort to either taxation or a bond issue. But the difficulty is that the financiers can largely regulate the kind of money paid into the treasury, and if they desire more bonds issued they can cause a draining of the gold reserve and thus force more bonds. They can then raise a cry against the re-issue of redeemed silver dollars, and demand the retirement of silver dollars in order to break the "endless chain," as they call it.

There is no reason why the silver dollar should be redeemed in gold. The fact that it is a legal tender is sufficient to maintain it at a parity with gold. To make it redeemable in gold simply puts the treasury department in the hands of the Wall street financiers.

13. Would it not be better to restore free and unlimited coinage, and thereby create the former demand for silver dollars equal to our gold dollars, and also increase our ability to redeem all credit money?

Answer. That is the proposition taken up by the platforms of 1896 and 1900 and the position maintained in the past and at present maintained by The Commoner, although the editor recognizes that the increased production of gold has relieved the strain upon gold, and thus turned the attention of the public, for the time being, to other questions.

14. Since the demand for silver maintained by free coinage was destroyed in 1873, has not the value of our silver bullion decreased \$500,000 in the million compared with its value when free coinage prevailed?

Answer. The demonetization of silver has not effected the value of the silver already coined and circulated at full legal tender, but it has reduced the bullion value of silver, and our silver dollars (if melted) would show a loss equal to about half of their nominal value. As long as they circulate as coin, with full legal tender power, they circulate upon a parity with gold.

15. Have not foreign countries since 1873 profited by buying our silver bullion and coining it into money representing double its cost?

Answer. Yes; foreign countries have not only profited by buying silver at a low price and coining it at a higher price, but England as a creditor nation has especially profited, because the demonetization of silver increased the purchasing power of the dollar called for by her contracts, and she has also been able to reduce the gold price of wheat in Liverpool without reducing the silver price of wheat in India.

16. Would not the country be in far more danger of hurtful panics with the single gold standard than with the double standard?

Answer. That is the contention of bimetalists, and the editor of The Commoner believes it to be a sound contention.

17. If we are to have a single standard, would not silver far better meet the requirements of the

masses than gold, paper redeemable in silver to be used in large transactions?

Answer. It is not necessary to choose between the gold standard and the silver standard. The double standard is better than either, and would make the United States the clearing house for both the eastern and the western world by maintaining the double standard, thus enabling us to deal with Asia upon a silver basis, and with Europe upon a gold basis. The dislocation of the power of exchange is a serious interference with business, and it is better that the double standard be maintained—either by all the nations or by some strong nation—than that one-half of the world should use silver and the other gold. The use of silver certificates for large transactions removes the objection that has been made to silver because of its weight. In large transactions people prefer paper money to either gold or silver, as shown by the fact that we have now outstanding about the same amount of gold certificates that we have of silver certificates.

### Let the Battle Begin

The Standard Oil trust seems to have thrown down the gauntlet to the people of Kansas, and the people of Kansas show a disposition to meet the issue.

The Kansas house of representatives, on February 15, by a vote of 91 to 30, adopted a bill providing for the establishment of a state oil refinery. It is announced that Governor Hoch has signed the bill. Under the provisions of this measure, an oil refinery will be erected at Peru, Kan., and a determined effort will be made on the part of the representatives of Kansas people to bring the oil trust to terms.

February 15, the lower house of congress unanimously adopted the following resolution:

Resolved, That the secretary of commerce and labor be and is hereby requested to investigate the cause or causes of low prices of petroleum in the United States, especially in the Kansas oil field and unusually large margins between the price of crude oil or petroleum and the selling price of refined oil and its by-products; and whether the said conditions have resulted in whole or in part from any contract, combination in the form of a trust or otherwise, or conspiracy in restraint of trade and commerce among the several states and territories or with foreign countries; also whether the said prices have been controlled, in whole or in part, by any corporation, joint stock company, or corporate combination engaged in commerce among the several states and territories or with foreign nations, also whether such corporation, joint stock company or corporate combination, in purchasing crude oil or petroleum by an order or practice of discrimination, boycotts, blacklists, or in any manner discriminates against any particular oil field; also to investigate the organization, profits, conduct and management of the business of such corporation or corporations, company or companies and corporate combinations, if any, and to make early report of its findings, according to law, to the end that such information may be used by congress as a basis for legislation or by the department of justice as a basis for legal proceedings."

Under date of February 16, the Associated Press announced that President Roosevelt had directed James A. Garfield, commissioner of corporations of the department of commerce and labor to begin immediately the oil investigation requested by the house of representatives. The Associated Press said: "The investigation by the direction of the president will be rigid and comprehensive. The inquiry will be pressed as rapidly as possible. The scope of the investigation and the time it will occupy can not be indicated at this time."

For many years the Standard Oil trust has interfered with American government. That trust has made large contributions to republican campaign funds and has assumed to defeat those candidates for public office upon whom the trust magnates could not depend. The oil trust has frequently grappled with competitors and in every instance those competitors have been crushed. Every effort made by this great trust in the way of advancing its monopoly has been successful and it is not at all surprising that the managers of that great trust have become so bold that they dare defy the people of a state and challenge them to serious combat.

It is gratifying to learn that the people of Kansas are not disposed to submit to the imposi-

tions which the Standard Oil trust would put upon them; it is gratifying to learn that the lower house of congress has, by unanimous vote, declared itself to be in favor of the Kansas people; and more than all, it is gratifying that the president of the United States has acted promptly, showing that his sympathy is clearly with the people of Kansas in the great contest they are about to wage with the most powerful of commercial organizations.

Every little helps in a contest of this kind. But more important than all is the fact that the president of the United States has acted promptly and acted in a way that gives reason for the hope that he will employ all the great power and influence at his command to protect the people of a great western state from the impudent encroachments of a merciless monopoly.

President Roosevelt has the power to give victory to the Kansas people in this great struggle. He will readily discover that for his patriotic efforts he has the cordial endorsement of men of all political parties. It is safe to speak for the great mass of the American people, for the rank and file of all political organizations, and to say that in the support given to the president of the United States in the effort he makes against the encroachments of a monopoly: "We are all republicans, we are all democrats, we are all populists, and we are all independents!"

If Kansas is to be the fighting field, let the battle begin.

### Unsafe Banking

The investigation of the affairs of the German bank of Buffalo has brought to light the fact that Appleyard, the Boston financier, who looted the bank, bought a controlling interest in the bank for \$133,500 and thus obtained control of \$6,000,000 of deposits. It ought to be evident to any reasonable man that banking will be unsafe just as long as a bank is allowed to accept deposits so far in excess of its capital stock. The margin between the bank's assets and its deposits is often too small to furnish adequate security and the temptation, as in the Appleyard case, is too great to unscrupulous promoters to get control of the stock in order to use the deposits. A fixed proportion should be established between the capital and the deposits.

### Parties a Necessity

A reader of The Commoner writes that he heartily believes in most of the principles advocated by The Commoner, but asks if the editor of The Commoner is not "too much of a party man?" He refers to the last campaign and intimates that the editor of The Commoner should have opposed the democratic ticket.

The party has a place and a necessary place in American politics. People must act together in order to secure the enactment of a law or the accomplishment of any reform. Without party organization there would be more bossism than there is today, because a few prominent men would have to assume the responsibility of directing public movements. With party organizations in good working order and properly governed it is possible for the voters of the party to initiate policies and select candidates. Every voter ought to belong to some party, and in choosing a party he ought to select that party which, all things considered, offers the best opportunity of securing the application to government of the political principles in which he believes and the adoption of the policies he believes to be best for the country.

Unless a man belongs to a party he is left merely to choose between the candidates and platforms presented by the various parties, while the member of the party helps to frame the platform and to name the candidate. Having connected himself with a party the voter ought not to leave his party except for a substantial reason, for by connecting himself with the party he takes upon himself the implied obligation to act with the party so long as the party is true to its principles and avowed purpose. It is not to be expected that each platform will in all respects please every member of the party. The members of a party, while agreeing in a general purpose and subscribing to a code of fundamental principles, may differ widely in the application of those principles. And after a person has tried to make a platform exactly what he desires to have it represent, he accepts it if on the whole it comes nearer to representing his views than any other platform.

In like manner the member of a party must expect that the nomination may sometimes be disappointing to him. If the members of a party are to have a clear voice in the selection of a can-