

The Commoner.

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VOL. 12, NO. 18,

Lincoln, Nebraska, May 10, 1912

Whole Number 590

The Game Exposed

The campaign for the nomination has now progressed far enough to enable the democratic voters to know the methods that are being employed by the Wall street crowd to capture the Baltimore convention. Mr. Harmon and Mr. Underwood are the reactionary candidates. The predatory interests are quite indifferent as to which of these gentlemen is nominated. Mr. Harmon was picked out first, but "big business" began to smile upon Mr. Underwood, as soon as it became evident that Mr. Harmon was not making headway as a candidate. They have now divided up the territory in which they think a reactionary has a chance, and Mr. Harmon is running in a few states in the north, and Mr. Underwood in six states in the south.

In the north, and in Ohio, the democrats are appealed to to vote for Mr. Harmon as a matter of state pride; but Mr. Harmon's delegates, if they are reactionaries at heart, will be at the disposal of Mr. Underwood when Mr. Harmon is out of the way; and Mr. Underwood's delegates will be equally at the disposal of Mr. Harmon—except the delegates from Alabama, who are so tied up that they can not be delivered to anyone else. In Florida, the Harmon men have been leading the Underwood fight, and appealing to southern pride on behalf of Mr. Underwood as a southern man.

There could be no clearer case of bad faith, and the fact that such methods are resorted to, ought to convince any fair-minded man that the reactionaries are not expecting to win by an open, honest fight, but by deliberate deception. A reactionary would find it impossible to win at a time like this, when so large a majority of the people are progressive; but the chances of a reactionary candidate would be still further weakened, if he were nominated as a result of a combination between a few men running in different sections on local sentiment.

Governor Harmon and Mr. Underwood are working both sides of the street, but their tactics are becoming so well known that they can not hope to continue much longer even the small success that has attended their efforts.

WATCH THE LORIMER CASE

Congress ought not to adjourn until the senate acts on the Lorimer case. Senators who desire to reflect public sentiment in their official conduct ought to resist every effort at adjournment until the senate acts upon the Illinois senatorial case.

CONTENTS

THE GAME EXPOSED
REVIVING A GOOD PLAN
BOSSES AND LEADERS
A BEAUTIFUL TRIBUTE
ANOTHER DEMOCRATIC REFORM
REAL INVESTIGATION OF THE
MONEY TRUST
ROOSEVELT-TAFT FIGHT
METHODISM AND THE REPUBLICAN
ADMINISTRATION
FOR AND AGAINST THE COMMONER
EDITOR
WANTED—A MAN
DOOLEY ON JUDICIAL RECALL
PRACTICAL TARIFF TALKS
HOME DEPARTMENT
WHETHER COMMON OR NOT
NEWS OF THE WEEK
WASHINGTON NEWS

MR. BRYAN'S THANKS

To the Democrats of Nebraska: I beg to express my deep appreciation of the loyal support given at the recent primary to other progressive delegates for delegate as well as to myself. Engagements made before the fight opened up kept me out of the state during the closing days of the contest but you did not need me. You vindicated anew Nebraska's right to stand at the battle front. Yours truly,

W. J. BRYAN.

CAN UNDERWOOD EXPLAIN?

Alabama instructs her delegation to vote for Underwood "until a nomination for president shall have been made." Will Mr. Underwood please explain these instructions? Were they given with his consent or over his protest? He owes his distinction to Speaker Clark and yet he can not help his benefactor. Clark might be within a few votes of a nomination and yet Mr. Underwood's delegation is powerless to assist him. Did Mr. Underwood purposely tie the hands of his delegation to keep them from supporting Clark?

Or was he afraid they would support Wilson? Is his delegation really against him? And was it manacled so that it could not assist any one to whom Underwood is opposed? Or were his people afraid to trust him? Did they adopt the instruction to keep him from turning the delegation over to Harmon?

Here are three questions and The Commoner indorses the third. Mr. Underwood may have favored such instruction either to have an excuse for not giving the delegation to Clark or to keep it from going to Wilson, but it is more likely that the democrats of Alabama adopted these iron-clad instructions to keep the delegates from being delivered to Harmon. Alabama is not a reactionary state; her democrats instructed for Mr. Bryan in 1908 in spite of the reactionaries, and the democrats of Alabama, while willing to compliment one of her sons, were not willing to assist in nominating Harmon. She probably preferred to sit on the fence and take no part in the nomination. Will Mr. Underwood explain?

A RUMOR DENIED

No, Mr. Bryan will not be a compromise candidate before the republican convention. It is true that he is more progressive than President Taft and less dangerous than ex-President Roosevelt, and it is probably true, also, that the president and the ex-president would each rather see him president than the other but he feels under no political obligations to either one of them and is willing to let them fight out their differences even if it splits the republican party.

WHY NOT ASK WALL STREET?

Those who are urging Underwood as a southern man ought to know that it will hurt the south to have its candidates defeated as he will be if he is a Wall street man. There are many available candidates in the south, Hoke Smith, Ollie James and Senator Culberson, for instance. Why not one of them? Why ask Wall street?

WATCH ELECTION OF SENATORS

Congress ought not to adjourn until election of senators by the people is disposed of. The public is anxious for congress to do something on this subject and the people will uphold every reasonable effort on the part of the members of congress to force action on this great reform.

Mr. Bryan advised the democrats of his voting precinct to pair off and make the vote between Clark and Wilson as nearly even as possible. The vote, when counted, stood 19 for Clark, 16 for Wilson and 2 for Harmon.

The special interests in Nebraska will probably let politics alone for awhile—at least they ought to. Nebraska is not a good state in which to make a fight for plutocracy.

Reviving a Good Plan

Mr. E. C. Jones, of New York, a Broadway banker, has issued a pamphlet in which he revives and defends a plan for imparting elasticity to the currency. A similar plan was proposed some twenty years ago by Tom L. Johnson, then in congress. The Commoner has already indorsed the principle involved, namely, the use of government bonds as security for loans made not to national banks only, as now, but to anyone who happens to hold them. This kind of elasticity saves interest to the government, (loaning to national banks does not) it saves interest to the borrower and does not increase Wall street's control over the money of the country. That is the reason why Wall street does not take to it kindly. The Aldrich plan is in the interest of Wall street and Wall street control. Mr. Jones has the following to say in regard to breaking Wall street monopoly of the currency issue:

The substance of this plan is that the right to receive notes to circulate as money secured by the deposit and pledge of United States bonds shall not be limited to national banks, but shall be conferred upon any person who owns United States bonds.

Why should John Brown, because he incorporates himself as the John Brown National bank with a capital of \$100,000 be allowed to get \$100,000 in currency from the government on the deposit of government bonds to that amount when John Brown as an individual, or as the John Brown Dry Goods Co., or the John Brown Plow factory, or the John Brown Trust Co., or the John Brown State or Savings bank can not do so upon the pledge of the same bonds?

The only answer to this question is that practically the exclusive right to issue notes to circulate as money is conferred by law upon national banks for reasons which arose out of the civil war. These reasons were the desire for a uniform currency controllable in amount by the national government and receivable for taxes by the national treasury; the creation of a permanent market for a large amount of United States bonds and the consequent improvement of the national credit; the creation of a large number of financial institutions under national control widely distributed over the country which could serve as depositories for government funds and act as fiscal agents of the treasury and distribute bonds to subscribers; and the increased guaranty that in future there would be fewer banks capable of furnishing credit to rebellious states.

The necessity for the creation of a market for bonds through the medium of national banks no longer exists. The preservation of the system of national banks as government depositories and fiscal agents of the treasury is not dependent on their exclusive privilege to issue notes secured by United States bonds and the uniformity of the currency will be equally safeguarded under the proposed plan of the issue of notes to any person or corporation upon the pledge of United States bonds. The security behind the currency in either case is exactly the same and if the national bank currency is now good the same currency will be equally good when issued in exchange for United States bonds deposited by an individual or a trading or manufacturing company.

Theoretically state banks have the right to issue notes to circulate as money in accordance with the varying requirements of the laws of the different states. Prior to the establishment of the national bank system they exercised this right. The system was bad because of its lack of uniformity and the resulting inequality in the value of the notes. Congress rendered the exercise of the right to issue notes by state banks practically impossible by imposing upon such notes a tax of 10 per cent per annum. Under the proposed plan state banks as well as national would be put on the same status as any individual or trading or manufacturing company—all would have the same right to secure currency upon the pledge of United States bonds.

PLAN

This system of currency could be worked out in practical form by having congress enact a law making all United States bonds convertible into currency and reconvertible into bonds under the following plan:

1. Any person, firm or corporation may deposit bonds in any amount with any sub-treasury of the United States and receive in lieu thereof circulating notes to the amount of the face value of the bonds so deposited.
2. Any person, firm or corporation may at any time return to any sub-treasury any such circulating notes in amounts of \$100 or any multiple thereof and receive in exchange therefor bonds to the amount of the face value of the notes so returned.
3. Interest on the bonds shall cease while the circulating notes are outstanding but shall com-