

State Historical Society  
Ex 1531

# WEALTH MAKERS



IN THE SWEAT OF THY FACE THOU EAT BREAD IF ANY WILL NOT WORK NEITHER LET HIM EAT

### LET US EXCHANGE VIEWS.

[In the time intervening between now and the date of the People's Independent State Convention this and succeeding columns will be open to the Populists of the state to propose candidates for the ticket of '94, and for United States Senator, and to show reasons for individual preferences. We shall not have space for anything more than names and brief reasons for the choice made, because we wish to hear from a great many. Let no man be here proposed for office whose character as well as intellectual qualifications the writer will not personally vouch for. If any candidates seem to be leading whom our readers cannot conscientiously support, by all means let us know why they are strenuously objected to. But let us respect one another's views, avoid anything tending to disharmony if it be possible without sacrifice of principles, and hear willingly those who differ with us. "In a multitude of counselors there is safety." But with many to hear from each must be brief.—Editor WEALTH MAKERS.]

### Hon. Barney Johnson for Governor.

LINCOLN, Neb., April 28, 1894.  
Editor WEALTH MAKERS:  
In accordance with your request for friends of candidates to express themselves, you may insert this letter in your valuable paper and express my belief, after careful consideration, that Hon. Barney Johnson, late member of the House of Representatives of this state, is the strongest man we have in our state for the Populist party candidate for governor. He is a man of strong qualities, upright and honorable in every way, true to the great principles of the Populist party, possessing excellent good judgment and that broad common sense requisite for a governor to possess.

He was able to be elected, with a good majority to the last legislature from Nemaha county, as a member of the House of Representatives in 1893, although opposed by the combined efforts of Howe and Majors, each residing in the same county (Nemaha) with Mr. Johnson. Any man that can successfully overcome the opposition of these two politicians will be able to defeat any candidate that any other parties in the state may nominate.

Sincerely yours,  
THEODORE F. BARNES.

### A Furnas County Man's Choice.

BEAVER CITY, Neb., April 30, 1894.  
Editor WEALTH MAKERS:  
We are well pleased with the make-up of your paper, both editorially and otherwise, and think the "Exchange of Views" column will prove of much service in developing a good strong ticket. At this distance from the political center, we still have faith in the executive ability and independence of Mayor W. A. and believe he would add strength to the ticket as a candidate and reflect honor on the party and the state as our governor.

This county has no candidate for state office, but we have the very best of material in the person of Hon. John Stevens, and our ticket reads as follows: Governor, Mayor Weir, Lincoln; lieutenant governor, J. N. Gaffin, Saunders county; treasurer, O. Hull, Harlan county; auditor, D. C. Daever, Douglas; secretary of State, J. A. Edgerton or E. L. Heath; attorney general, Judge Holcomb; superintendent of public instruction, Prof. W. A. Jones; commissioner public lands and buildings, "Stevens of Furnas"; congress, Fifth district, J. M. Ragan; senator, Twenty-ninth district, L. W. Young; United States senator—a man who will measure up to the standard of Senator Allen.

Yours for good men,  
FURNAS COUNTY.

### John F. Mefford's Ticket.

SCHUYLER, Neb., April 30th, 1894.  
Editor WEALTH MAKERS:  
Here is my ticket. In making up this list I have kept two things in mind; first, good men; second, locality.  
For governor, John M. Ragan, of Adams county; for lieutenant governor, H. B. Miller of Wayne county; for auditor of public accounts, W. F. Dale of Phelps county; for secretary of state, Sidney B. Kent of Lancaster county; treasurer, O. Hull of Harlan county; commissioner public lands and buildings, Orzondo Nelson of Colfax county; superintendent public instruction, A. A. Monroe of Douglas county; attorney general, S. B. Holcomb of Custer county. Then, Mr. Editor, we want a representative man in congress from this district, instead of the dude of the cookeys, who was sent to Washington so far for the Republicans.  
That man is John M. Devine.  
Then we want a mentally powerful man to hitch up with Senator Allen.  
That man is Chancellor Castelfield of the State University.  
I don't want to be understood, Mr. Editor, as claiming that these men are

### the best men in the Independent party

—far from it; there are hundreds equally as good and true. And if judgment and fairness are used there is no danger but that a good ticket will be made up.

Pledging my name in advance to the entire ticket, I remain,  
Yours truly,  
JOHN F. MEFFORD.

The Greeley Citizen says Greeley county will send "a solid, enthusiastic and harmonious delegation to the Judicial Convention, asking and demanding the nomination of her favorite candidate, J. C. Heald of Greeley county."

### Mr. Kem and the 6th District.

SPRINGVIEW, Neb., April 28, 1894.  
Editor WEALTH MAKERS:  
I have read with much interest the opinions of many in your exchange upon the most available candidates, and I feel it my duty to add a word, more especially as to congressional nomination in the sixth district.

First of all, there should be no question that every candidate should be a living exponent of our principles.

I believe the People's Party of Nebraska will feel proud to do honor to men who have an experimental knowledge of our needs. There are those who seem to believe that the candidates should be men who can ably represent us on the stump. Let us make no mistakes here. The candidates can only be heard by a small per cent. of the people, and the most eloquent and convincing appeal our speakers can make this fall will be to say, "They are honest and competent." Make a ticket of this kind of material, and it will draw like a magnet every honest citizen.

As to the sixth congressional district, I must say that Lincoln and Omaha dwellers seem more exercised over our business than we ourselves.

I know of no one in the sixth district who questions that the People's Party candidate if judiciously chosen will represent the district in the next congress.

I believe I am safe in saying while there are those who favor a new man as a candidate a very large per cent. of our voters are very uncertain as to the advisability of allowing Mr. Kem to retire at this time.

Ordinarily I believe a two term policy to be the safest for individual, for party, and for country, but Mr. Kem's connection with politics in the district has been peculiar. He has been obliged to fight against great odds the organized monopoly press of the entire state.

Only recently, anticipating his re-nomination they have charged him with dishonesty in the treasury of Custer county. They have charged him with incompetency, and finally with neglect of his constituency.

As to the first charge, Mr. Kem has made an open challenge, that should either bring to light his wrong or silence him.

As to the second charge, I hear no complaint in his district that he has voted wrong. Correct voting stamps a man today as above the average congressman. Our people have lost confidence in promises and are now watching the votes.

As to the third charge; it is simply wanton. No man could have served his people more faithfully. No man in the state knows better than Mr. Kem the privations and hardships of western life. He made his famous campaign against Dorsey with scarcely a hope of success.

He travelled over the "Big Third" in every kind of conveyance and shared the hospitality of the farmers in every kind of abode. He led our cause to victory. He has not brought to his party the blush of shame. He has a warm place in the hearts of the people of his district. In these days when all men are anxiously saying, "What is coming next?" we remember that Kem was one of the first to sound a note of warning. I speak of these things in this connection because I feel indignant at the unfair means being resorted to to prejudice the people of Mr. Kem's district against him. It is not Mr. Kem they are after, it is his seat in Congress, and it is my judgment they would, as soon as they could, make a tool of him.

I am not speaking for or against Mr. Kem's nomination. We do not owe him a nomination, and I am certain he would scorn the thought; but the people of the sixth district have a right to demand that the man who is nominated shall be one who knows what it is to earn a living by the sweat of an honest brow. I have no word against any professional man but we have need for them in positions for which their calling has specially fitted them.

There is no party discussion that I know of in the sixth district, and if Mr. Kem retires this fall it will be with the enjoyment of the fullest confidence not only of his party, but of the good people of his entire district.

Senator W. A. Stewart of Sioux county would certainly be the choice of this county and I believe of the entire northwest in case Mr. Kem should for any reason not be a candidate.  
Yours for rights as a means and victory as an end.  
OTTO NUTZ.

### OLD ERROR UNVEILED.

What Prevents Regularity of Work and Commercial Certainties.

### WHY SUPPLIES EXCEED DEMANDS.

Inequitable Obligations Which Regularly Cause Failure, Liquidation and Cessation of Work.

### The Cause of Financial Panics.

[We reprint below, from The Arena, part of the most valuable article which has appeared for years in any of the magazines, an article entitled, "The Cause of Financial Panics," by Mr. J. R. Bennett of St. Louis. We shall give our readers mere of it in succeeding issues of THE WEALTH MAKERS. Preserve the papers containing what we print of it and give them widest circulation possible. The second and third installments will go down to the base of the evil, and will contain new argument and truth.—EDITOR WEALTH MAKERS.]

(Continued from last week.)

The lender sacrifices nothing. The wealth which he loans is surplus wealth. However potent as an instrument of production in the hands of others, it is useless in his, for his hands toll not. This fact must be borne in mind: Unless somebody borrow the wealth of the capitalist, he must stand by and see nature steal away its usefulness. Then the person who borrows that wealth and saves it from the decay of nature does the capitalist an all-important service. It is no answer to say that the laborer, at the same time, gains a personal advantage from the wealth which he borrows. Does the laborer's gain make the capitalist's gain the less? Capital cannot produce, labor can. Labor has lived without capital, without wealth except the strength of its muscles. With this strength alone to start with, labor has wrested from nature all that there is of wealth in the world today. Destroy every vestige of what men call capital, and enough people would survive the calamity to repopulate the world and reorganize society; destroy the power to work, and in a decade there would not be a living human being.

Nobody who considers what man has sprung from will deny this. Man did not come into a world of walled cities, palaces, and machines. He was once a shivering, naked savage, his implements clubs and stones. His bread he plucked from the trees by labor; his meat by labor he pursued and killed. Man always earned his bread by the sweat of his brow or the brow of somebody else. Labor has the producing power of nature, capital the decaying principle of wealth. Why, then, can it not be confidently asserted that labor, aside from nature, is the only productive force? Labor can put its stamp on the treasures of nature's storehouse, and the product is wealth. Nature will not receive the stamp of capital.

There asks: "Will an extra crow appear in a bag of one hundred shillings at the end of a year? Will there be two hundred shillings in the bag at the end of fourteen years?" No, nor any extra grain in a bag of corn (Bastiat to the contrary notwithstanding). Herds will not increase without labor's care; fields untilled will not yield a harvest. Nature's favors must be wrested from her by the arm of toil. Where, then, is the justification of interest? What ground has one for assuming that wealth has the power of growth, or that its possessor is entitled to an increase? If wealth does not grow there is no ethical basis for interest.

It is a law as old as the world, that what a man produces is, primarily, his.

The converse must be true: what a man does not produce is not primarily his. To become his it must be given to him freely, or he must secure it by trading for it that which he has produced. On this basis, interest does not belong to the capitalist, for he neither produces it nor gives for it anything which he has produced. He cannot, for the capitalist, as such, produce anything. His capital did not produce it, for capital cannot even maintain itself.

Let us allow the great apostle of interest himself to tell the advantage the capitalist has over the laborer, and then examine his reasons as to why it is right. These are Bastiat's words: "Here are two men. One of them works from morning until night, from one year's end to another, and, if he consumes all that which he has gained

even by superior energy, he remains poor. When Christmas comes he is no more forward than he was at the beginning of the year, and has no other prospect than to begin again. The other man does nothing either with his hands or with his head; or, at least, if he makes use of them at all, it is only for his own pleasure. It is allowable for him to do nothing, for he has an income. He does not work, yet he lives well; he has everything in abundance—delicate dishes, sumptuous furniture, elegant equipages; nay, he consumes daily things which the workers have been obliged to produce by the sweat of their brows, for these things do not make the selves, and, as far as he is concerned, he has no hand in their production. It is the working men who have caused the corn to grow, polished the furniture, woven the carpets. It is our wives and daughters who have spun out and embroidered these stuffs. We work for him, for him and ourselves; for him first, and for ourselves if there is anything left. But here is something more striking still. If the former of these two men consumes within a year any profit which may have been left him in that year, he is always at the point from which he started and his destiny condemns him to move incessantly in a perpetual circle and monotony of existence. But if the other, the 'gentleman,' consumes his income within a year, he has the year after, in those years that follow, and throughout all eternity, an income equal, inexhaustible, perpetual. Capital, then, is remunerated, not only once or twice, but an indefinite number of times. So that at the end of a hundred years a family which has placed twenty thousand francs at five per cent. interest will have one hundred thousand francs, and this will not prevent it from having one hundred thousand more in the next century. In other words, for the twenty thousand francs which represents its labor (or the labor of some one else) it will have a ten-fold value in the labor of others. In this social arrangement is there not a monstrous evil to be reformed?

"And this is not all. If it should please the family to curtail their enjoyment a little—to spend, for example, only nine hundred francs instead of a thousand, it may, without labor, without any labor, without any other trouble than that of investing the other one hundred francs a year, increase its capital and its income in such progression that it will soon be able to consume as much as one hundred families of producing workers. Does not this go to prove that society is nursing in its bosom a hideous cancer which ought to be removed at the risk of some temporary suffering?"

Yes, Bastiat! it certainly does, and your illustrations of planes and ships and oars, although they may obscure the seat of the terrible disease, cannot hide its manifestations. The skilled social physician can see through your thin mystifications. You assert that the twenty thousand francs represent the labor which that family has performed. This may or may not be true; many of our modern fortunes represent the labor of others. But, granting that it does represent the labor of the head of that family, on what ground of right or justice should that labor be remunerated more than twenty thousand francs worth of the labor of other citizens? Why is it more worthy of return than the labor-produced wealth which has gone to support the laborers and their families? The worker's strength must be kept up by constant feeding. The wealth represented by twenty thousand francs is almost as perishable; it must also be kept up by constant sowing. The laborer produces more wealth with the strength which he absorbs from the food which he consumes. The owner of the twenty thousand francs, as such, produces no wealth; neither do the francs. Let them lie in a vault and they would not increase a jot for all eternity. Store the real wealth represented by them and you would have none of it left at the end of a score of years. Why, then, should we remunerate the owner of the twenty thousand francs, not for one year alone but for all eternity, while we remunerate the laborer but once? But we go further, and not only compel the laborer to make good to the owner of the twenty thousand francs, the ravages of nature, but also to pay him a hundred fold for what he produced, inherited, or possibly obtained by fraud or force.

Why should we place such a premium on the saving of wealth and reward its production so little? By that very action we assert that it is more to the advantage of humanity to have wealth hoarded than produced or used. We say to the world: "You who have saved even so much as a laborer produces every ten years of his active life, can live all the rest of your days in idleness if you so desire, and your children's children may do the same. He who has not been fortunate enough to save must

divide with yet his substance, even to keeping you in your idleness. He must toil unceasingly, and when he shall have been gathered to his fathers, his children after him must toil; and a portion of everything which he produces is yours, by the right which your saving gave you. And he must not be niggardly about feeding you; your share shall every fourteen years equal your original saving, and yet your fortune shall never grow less. By the simple act of saving an amount insignificant as compared with what a laborer produces during his lifetime, you have removed from yourself and your posterity the curse of humanity—'Man must earn his bread by the sweat of his brow.' Or perhaps your father has done it for you; perhaps an uncle, perhaps a more distant relative whom you never saw, has left a small amount of perishable wealth in the world, and by that act saved you forever from the necessity of laboring, made you a sharer in the results of others' toil."

To the man who produces unceasingly but cannot or does not save we say: "You must stay nature's destroying hand. The substance of the capitalist is sacred; see that you preserve it. Keep it replenished after the waste of time and besides give him all that he requires to live on. Then, if there is anything left, you may take it as your own. Hoarding, you must remember, exempts from your toll; more producing gives only the right of sharing that production with those who toil not."

These are the speeches which we act out when we sanction the practice of interest taking. No questions are asked as to how the wealth was hoarded; it makes no difference. Its possessor is virtually pensioned for all time and billeted on the community. Interest rewards capital *ad infinitum*. It is wrong. If for producing twenty thousand francs the laborer is remunerated but once, twenty thousand francs which represent the capitalist's earnings or accumulations, should gain for the capitalist but one remuneration. All men have equal rights.

Bastiat has well said that things do not make themselves and that the capitalist has certainly no hand in their making. He might have added that neither did the wealth which the capitalist had saved produce these things. Leave it unattended and it could not keep itself from destruction. The capitalist has no right, then, to take these things from others. The wealth which he produced has disappeared years ago under the inexorable law of nature, yet he is still living on. What an anomaly! Can one eat his cake and have it too? The capitalist does, but he is the only example. Then it is but a trick. He steals more cake by legal jugglery from the mouths of his rightful owners, and by pretty fictions convinces them that it is his own. Better than the lamp of Aladdin, better than the magician's wand, even better, far better than the philosopher's stone, is the economic fable, by whose potent alchemy the possessor of a little hoarded wealth can multiply his gold *ad infinitum* and levy contributions on the generations of men to the end of time. It is a magic capable of transmission without the trouble or pains of study. By its action his posterity are made pensioners on all the generations of men. The capitalist's wealth is the fabled cup which, however often drained, is forever full; it is the purse which always contains a dollar. Verily the capitalist's secret is better than the power of kings.

But like all necromancy, when unveiled, it is but the jugglery of the faking charlatan. When the wealth which he has saved is gone, he mystifies others and takes their wealth to supply his place. It is by others' toil that the cup is kept full. He shuffles the empty vessel into the place of the brimming goblet which in turn he drains. His magician's wand is but the barbarous custom of tribute, which changes not but directs the stream of wealth from the hand of the toiling producer into the coffers of the money bag. It has obtained so long that men have forgotten to resist it. This all-powerful necromancy is interest taking. It is founded on the monstrous assumption that wealth has within itself the unaided power of growth. There is no escaping the conclusion that interest taking is wrong.

But it is asserted that without the practice of interest taking there would

be no saving; that all capital would be destroyed, that we should be hampered in our production and retrograde toward the savage. Does our civilization depend for its existence on the thoroughly barbarous principle of tribute taking? Why would there be no object in saving if we could not collect interest? If I produce more capital than I can use at present, and want to save it for use at some future time, will it not be as much mine when I want to use it, if I lend it without interest as if I collect ten per cent. interest upon it? The agreement for the return of the capital and the paying of interest are in no way dependent upon each other. One can be made without the other. I can now make an agreement with the borrower that if I allow him to use a portion of the wealth controlled by me, he will return it to me at the end of a certain stated period unimpaired by the ravages of time. Interest is not a necessary part of the agreement and if that agreement is carried out, I shall be sure of getting back all that I have produced. This is as great an incentive for saving as any mortal would require. He would, as now, look forward to a time of ease when he might live on what he has saved during his active producing life. He would be obliged to lend his wealth in order to save it. The same security could be required as under the system of interest taking. The argument of no motive for saving unless interest is allowed for that saved, implies that humanity is so avaricious that if one cannot get what does not belong to him he will not take care of what he has. Under the system of no interest, he who saves will not get rich while he jollifies or sleeps or loaf or debauches, as at present. As soon as he lies idle his fortune will begin to grow less by just the amount which he spends. He will have all that he produces to use as he pleases, but he must keep his hands off the production of others.

Looking at it from the standpoint of the producers, the discontinuance of the practice of interest taking would be an unmitigated blessing. He would be able to use the wealth which its owners could not use and with it produce more wealth. At the same time he could save it for them from the inevitable ruin of nature and increase his own substance. He would be released from the hard conditions which at present so often make production unprofitable to all except the money lender. The burden on business which now sends the country into practical bankruptcy every decade, and makes a failure of ninety-five per cent. of all business undertakings, would be removed. The toiler would not be obliged to hand over his substance in interest to those who toil not, and would be able to accumulate a surplus of his own, or to shorten his hours of toil. There would be no drones among those capable of working. As soon as one refused to work he would begin to eat into his capital, and even if the amount which he has accumulated were up into the millions, instead of multiplying as at present, it would begin to melt away from the clutches of the idler. It would be only a question of time until the fortune, however large, would be exhausted, and the idler and his descendants would again have to take up their burden with the rest of mankind. The accumulated fortune of the rich would be amply sufficient to supply their declining years, and there would be enough also to educate their children and give them a start in life, but they could not grow richer than their father unless they worked and added something to the wealth of the world. The worthless, idle scion of a wealthy family would be a thing unknown. No fortune would be sufficient to bear for a lifetime the extravagance in which the rich now indulge. Once amenable to the benign, unshackled law of nature, that man must earn his bread by the sweat of his brow; the man who inherited a fortune would grow poorer and poorer, unless he produced, until finally he would be obliged to work, beg or starve. All idlers, rich and poor, would be placed on an equal footing. The wealthy idler could not save himself by refusing to lend. If he tried to hoard his wealth, nature would punish him by destroying it all the faster. Each man would have just what he deserved—no more. Why, then, should he not save? He has the strongest motive for laying by something for his declining years, and he knows that what he produces will not be taken from him by idlers. He has the strongest motive, too, for keeping that wealth which he has laid by in the hands of some one who will save it for him. Wealth cannot be hoarded. You may as well say that rulers will not govern unless people surrender all rights, as to assert that capitalists will not save unless their savings bring them a greater return than they are entitled to.

(Continued Next Week.)