The Nebraska Independent.

The Wealth Makers and Lincoln Independent Consolidated.

VOL. VII. LINCOLN, NEBR., THURSDAY, June 4, 1896. NO. 52.

SENATOR JOHN P. JONES

The Student, Scholar and Philosopher of the Populist Party.

HIS GREAT SPEECH OF 1893.

The Continual Goldite Slanders of the Nevada Senators.

An Economic Work That Will Stand While Civilization Lasts.

Populists sometimes feel very bitter toward the western gold bug press on account of the falsehoods and misrepresentations constantly appearing in it. But most of this is Holy Writ, in comparison to what appears in some of the eastern goldite papers.

A clipping was recently sent to us from a Cincinnati paper a column long, and it would have been impossible to have squeezed more lies into it if it had been run through a Lightning hay press.

One of the assertions was to the effect that Senators John P. Jones and William M. Stewart whom the writer declared were the great silver mine owners of the world, occupied the time of the senate so much that the reporters in the senate galleries made bets each day on which one of the two would say "demonetize" first.

The truth about the mine owning charge is this. Both of these men are thorough economists and nearly twenty years ago, became convinced, along with the great writers and thinkers of Europe like Professors Sauerbeck, Allard, Wolowski and others that the money power would succeed in demonetizing silver, that it would be years before the people would find out what was impoverishing them and that silver mines, especially those of medium and low grade ores would become practically worthless. Senator Jones sold all his silver mines about fifteen years ago, and twelve years ago Senator Stewart, disposed of every interest he had in any silver mine. During all the years that these senators have been fighting for the poor against the oppression of the gold power, neither one has had a cent invested in silver mines or silver bullion.

The story of the reporters betting on which one would each day say "demonetize" first is perhaps the most groundless lie ever printed. Senator Jones addresses the senate once in about three years. The last speech he made was in October 1893. He has not addressed the chair since, except to present a petition sent to him or make a formal report of his committee.

Senator John P. Jones is simply a scholar and philosopher. He has accumulated one of the best economic libraries in the whole world. Having secured a fortune sufficient for all his wants, he took his seat as United States senator March 4, 1873 and has remained

J. P. JONES.

in the senate ever since. His attention was immediately attracted to the money question. He hired two learned secretaries to assist him, paying them ever since, more than he receives as salary as senator, sat down at his desk and began to study. He has been at that desk most of the time, studying as a student studies for examination, for twenty-three years while his secretaries search all literature in all languages for what is written upon the money question and cognate branches of economics, and lay it before him.

The consequence of this is: When Senator John P. Jones of Nevada rises to address the senate, which only happens once in three or four years, the whole educated world listens to him.

The greatest compliment ever paid to a speaker on the floor of the senate was paid to Senator Jones when he delivered his last speech in 1893. The senate is composed mostly of old men. They had been in session all through the sweltering heat of August and September. During October there had been one continuous session without adjournment night and day for about seventy-two hours. The rest of the time the session usually began at 9 a. m. and lasted until 10, 11 or 12 o'clock at night. For weeks when a senator, no matter how distinguished, rose to make a set speech, all but two or three on each side left to watch, fled to the cloak rooms and stretched themselves on the couches to catch a little sleep.

But when Senator Jones arose to address the senate on the afternoon of October 14th, seventy-two of these nearly exhausted old men were in their seats. They swung their chairs around, faced him and listened for three hours, with their eyes fixed upon him the whole time. Senator Jones spoke eight days, three or four hours each day, and when on the 30th of October he finished his speech, there were sixty-eight senators in their seats listening to him. That speech is immortal. It will be quoted as authority while our form of civilization lasts. There were orders for over 1100 copies of it from scholars and economists in Europe before the proofs could be finally corrected so that it could appear in the Congressional Record.

Of such stuff are the leading populists in the United States made.

The last speech of Senator Jones makes a book of 469 pages. It is a complete work on political economy. It should be read by every voter in the United States. The following is a short extract from it:

Nothing is or can be money in the full or in the proper sense that needs to be redeemable in anything else before it can pay a debt. Money is not money if it be confined to redemption in one thing; it must be redeemable in all things. The very essence of money is redeemability in all things that are for sale and all services that are for hire.

Mr. Higgins: I suppose the senator means what in known as fiat money.

Mr. Jones of Nevada: All money, whether of gold, silver, or paper is "fiat." Money is created by law, and derives its value from limitation of quantity. Gold money is as much "fiat" money as is paper money, for the reason that for any other use than the money use there is conceded to be sixty years' supply of gold on hand, which, were gold demonetized, would be available in the market for all the purposes to which gold is adapted in the various arts and manufactures. In other words, gold money is "fiat" money because it has not "intrinsic value." Owing to the fears of the money-lending classes that legislators would issue too much paper money, they have preferred that mankind should adhere to the automatic system—the system of relying upon the mines for the material of money.

The creditor classes are now, however, departing from that system. They are determined to have a system of money in which the unit shall from year to year acquire greater and greater control over property, including the products of labor. Hence in order to restrict to a minimum the quantity of money, and increase to a maximum the value of the money which they have already reduced to possession, one of the metals that from immemorial time had been used as money is denied the right of access to the mints, and the other metal established as the only metal of unrestricted coinage.

PUBLIC RAILROAD OWNERSHIP.

Advocates of it Arise in Unexpected Quarters.

WASHINGTON, D. C., May 29, 1896.—The annual convention of the National Association of state railway commissioners was held in Washington at the office of the inter-state commerce commission on Tuesday and Wednesday of last week. Among the many committee appointments at the last annual meeting a year ago to investigate various railroad matters and report at this meeting, was a committee to consider the question of government ownership of railroads. The majority of this committee, as was to be expected, in their report presented on Tuesday of last week, opposed the government ownership and control of the railroads of the country. But a minority committee brought in a report that refuted the argument of the majority of the committee, and presented an array of arguments and facts that prove conclusively that the many evils arising from the present railroad management could never be corrected except by using these great arteries of commerce as a public function for the public good, as the postoffice department is now used. The minority report was prepared by Hon. S. Otho Wilson, one of the railroad commissioners of North Carolina. He showed in his minority report that the majority of the committee dodged the logical conclusions of their own arguments, or rather of the facts which they presented and the evils which they admitted existed under present railroad management. The reading of Mr. Wilson's paper was given the closest attention by every member of the association, and a number who do not at present favor government ownership, congratulated him upon the force of his logic. In fact, we understand that the sentiment in favor of government ownership of railroads is growing stronger each year among the railroad commissioners who have to face and deal with the many difficulties in the railroad problem.

Reform Campaign Stories is the title of a new book by Jule Schoenheit. It contains humorous anecdotes illustrating every phase of the money question. See ad on other page.

THEN WHAT IS MONEY

Senator Gray Found That he Tackled the Wrong Man

A BIG CROWD ATTACKS ALLEN.

The Battle Wages Against the Giant of the West all day Long.

Single Handed our Senator Fights and Wins

During the last three months every "intellectual giant" of the senate has at one time or another jumped onto Senator Allen. At the end of every one of these fights Allen was always found on top. The other day, Senator Gray of Delaware, the administration defender, not taking warning at the result of other conflicts with Allen, concluded that he would try a round with the Nebraska populist. The result of the conflict can be gathered from the following extract from the Congressional Record of May 23:

Mr. Allen: Mr. President, parity is a law of equality.

Mr. Gray: I do not know that I gave any definition of the word "parity." I said that parity actually was maintained by the treasury department paying out indifferently gold and silver as it might be demanded by the person who had a right to demand the payment under the law; that the duty imposed by the act of 1893 upon the treasury was to maintain the parity of the two metals in the market of the world, which I supposed meant the equality of the purchasing power of either in the markets of the world.

Mr. Allen: I still think I will be found to be right when the Senator's statement is analyzed. The senator lays down the proposition that there is a disparity between the bullion value of gold and silver. I admit that under present conditions. And he follows that with the statement that there is a parity between gold and silver coin because of the power of the secretary of the treasury to place silver and paper money on a gold basis, or to estimate them from a gold point of view. I am stating the senator's position about as he stated it yesterday.

Now Mr. President, that does not constitute parity. It is a good deal like the parity given us a few days ago by the senior Senator from Ohio [Mr. Sherman], when he said parity consisted in making subsidiary coin of silver and using it in connection with gold. It is disparity that the Senator from Delaware and the Senator from Ohio have been talking about. Parity, if I understand it, is a law of equality existing between two things, not between the bullion value of the gold or the silver that enters into the dollar, but the money value of gold and silver when used as money.

The office of money, it has been said, and in my judgement wrongly, is to measure values; that it is a standard of value. I do not agree to that. There is no such thing as measuring value. Value is simply the estimate of people of the relation existing between two or more articles, and that estimate of value may be expressed in money, and when thus expressed it is called price. It is an ideal thing. The value of articles rise and fall like the tides of the ocean, according to the law of supply and demand. A dollar today may properly express the value of a bushel of apples. Tomorrow there is a disparity between the dollar and the bushel of apples resulting from the law of supply and demand. So if it is a measure at all, it is a very imperfect measure. It is subject to constant fluctuations.

Then what is money? It is a medium of exchange, pure and simple. It possesses no office that may not be properly found in the definition of those words. It operates to faciliate exchange. It is in a certain sense a temporary receptacle or repository of value when it is taken in exchange for property and held for a time to be exchanged for other property or to be used in payment of debts, but there is no proper office that money can perform which is not embraced in the definition of a medium of exchange.

Now, then, if parity is a law of equality, I want to know of my honorable friend the Senator from Delaware how he is to establish parity by taking from one of the metals the particular function that has been given it by law and which makes it money on a parity with gold? [A pause.] I am waiting for the Senator to answer.

Mr. Gray: I do not exactly understand the Senator's question. Will he be good enough to repeat it?

Mr. Allen. My question is this: You have limitless coinage of gold. The bullion value of the gold dollar is equivalent to the gold coin simply because the holder can convert it into coin without any expense to himself. You have stricken down silver. You have refused to permit silver to occupy the same position at the mints of the United States that you accord to gold. You have denied to it the monetary function as primary money. Now, I should like to have the honorable Senator tell me, after having done that, how it is possible to re-establish the parity between those two metals until you put them on an exact equality at the mints of the United States.

Mr. Gray: Let me see if I understand the Senator at all. His question is a little metaphysical, I admit. I was talking yesterday about the duty that had been imposed by law upon the Executive of the United States and the Government of the United States to maintain the parity of the two metals in the markets of the world.

Mr. Allen: Is the Senator talking of metals or coins?

Mr. Gray: The language of the law is "metals."

Mr. Allen: That is the language of the democratic platform. The democratic platform is in the law.

Mr. Gray: I stated that. How long it could be done, and whether it was right to expect the Government to do it, is another question, but that certainly there is no other way by which we could hope that even for a short time it could be done than for the Government to pay out gold and silver indifferently at the demand of the person holding demand paper for the coins. That is all I attempted to say yesterday. I know of no other way to maintain it in the market of the world.

Now, the Senator from Nebraska is talking about something a little different from that, if I understand him. He is talking about the power of a law giving free coinage to silver on the terms that it is given to gold. I say that with such a law the parity between two metals, at the present ratio of 16 to 1, could not be maintained in the markets of the world.

Mr. Allen: Why?

Mr. Gray: I do not want to interrupt the Senator now.

Mr. Allen: It is no interruption at all.

Mr. Gray: Very well. Because the known commercial value of silver, 16 parts of silver to one of gold, is less than the value of 1 part of gold.

Mr. Allen: No; I deny the Senator's premises.

Mr. Gray: Oh, well, the commercial value of an ounce of silver.

Mr. Allen: Measured in what?

Mr. Gray: The commercial value of an ounce of gold is more than the commercial value of 16 ounces of silver. That is what I mean.

Mr. Allen: No; that is not correct.

Mr. Gray: Very well. I cannot undertake to make facts. I leave the Senator to do that.

Mr. Allen: I am not going to make facts, and I do not ask the Senator to make them.

Mr. Gray: Let us hear what the Senator has to say. I did not mean it in any offensive way at all.

Mr. Allen: To put it in simple phrase, the senator says it is a 50-cent dollar.

Mr. Gray: I would rather the Senator would use the phrase I used. The Senator always gets away from the phrase I use.

Mr. Allen: Very well. If I got away from the phrase the Senator used, I will get back to it. He says that in the markets of the country, the markets of the world, probably—I do not remember the language of the democratic platform exactly and I do not think any other man does—the bullion in the silver dollar is not worth more than 50 cents. That is the position.

Mr. Gray: About that, yes.

Mr. Allen: About that. That is in the neighborhood of the position, somewhere near it. Now, in what does the Senator estimate the bullion value of silver? What is the standard of estimation?

Mr. Gray: I was estimating it as compared with gold.

Mr. Allen: As compared with gold. I thought it would come to that.

Mr. Gray: Of course.

Mr. Allen Of course. There it is. There is the whole thing.

Mr. Gray: As that seems to be an important matter in the Senator's estimation, let me add that the very thing he

W. V. ALLEN.

is talking about is the ratio of 16 to 1. That is, 16 parts of silver to one part of gold.

Mr. Allen: That is right.

Mr. Gray: That is the very thing with which I therefore compared silver, because I confined my estimate to the very terms of the Senator's own proposition. I said that in the markets of the world 1 ounce of gold is worth more than 16 ounces of silver—a great deal more.

Mr. Allen: I knew the Senator from Delaware would land exactly where he has landed.

Mr. Gray: It is not very hard to know that.

Mr. Allen. And, Mr. President, you never saw a gold monometallist who did not land there.

Mr. Gray: There is no other place for him to land.

Mr. Allen: Let me ask the Senator from Delaware, who I believe to be a fair-minded man, if he believes it is proper to estimate silver bullion in its stricken condition, which the Senator's party helped to bring about, from the standpoint of appreciated gold coin, and say that that is the commercial value of the silver bullion in a dollar?

Mr. Gray: There is no sentiment in monetary economics.

Mr. Allen: I agree with that statement.

Mr. Gray: And the stricken condition of this virgin silver may appeal to the sentiment and the affections of the Senator from Nebraska, but business knows no sentiment. All that I do know or think I know is that commercially the gold in a gold dollar is worth a good deal more than the silver in a silver dollar. In other words, 1 ounce of gold is worth a good deal more than 16 ounces of silver.

Now, the Senator says, "is it fair to compare the two with silver in its present stricken condition?" I an not concerned about that. Whatever the stricken condition may be, whether it comes from that cause or another, we are dealing with facts. Take it in its resurrected position or any position that you please, I want the fact as it exists. I suppose the Senator is going to say, then, that we must make this tremendous experiment to see what the commercial value of silver is to be after you restore the free coinage of silver at the ratio of 16 to 1.

Mr. Allen: We know what that is. We do not have to wait to see. I never saw a gold monometallist in my life who did not run away from the point when brought to it. The Senator crawfishes, if I may use the expression.

Mr. Gray: If the Senator will present his point I will promise not to run away from it. I will either meet it——

Mr. Allen: The Senator repeats an argument that is stale and moss-grown. He says the gold bullion in the dollar is equivalent to its coin value. There is not a child 10 years old of age in the United States who does not know that. There is no discovery in that statement. Why is it? It is because you can take the bullion and go to the mints of the United States and have it coined freely without charge.

Suppose I should come to my friend the Senator from Delaware, who at this moment may have in his pocket 25.8 grains of gold in the form of bullion, and say, I will give you 99 cents for it." He would not take it. And why? Because he would say to himself and say to me, "I can take that bullion to the mints of the United States and have it coined into a dollar."

Mr. Peffer: Law fixes value.

Mr. Gray: That is what they come to.

Mr. Allen; I am willing to——

Mr. Gray: Law fixes the value of the dollar, says the Senator's populist colleague.

Mr. Allen. The Senator from Delaware would refuse to take 99 cents, because the mints of the United States are open to the free coinage of the bullion in his pocket, and therefore the market value of the bullion and the coin value are equivalent.

Suppose I should go to the Senator, who has in his pocket 412½ grains of standard silver in the form of bullion, and say to him, "I will give you 95 cents for it." He would take it.

Mr. Gray: Indeed I would.

Mr. Alled: Indeed he would. Yes; he is a true gold bug.

Mr. Elkins: Ninty-five cents in what?

Mr. Gray: In gold.

Mr. Allen: In any kind of money you will have. I ask him if he would take 95 cents, and he says indeed he would. Why would he do so? Simply because he knows that silver by law is shut out from the mints and can not be coined. Now that is all there is to it. You never found a gold monometallist who would not back down when he comes to the point.

Mr. Gray: Mr. President——

Mr. Allen: Let me finish.

Mr. Gray: Certainly I do not want to interrupt the Senator.

Mr. Allen: I will yield to the Senator in a moment with pleasure. Suppose, under a system of free coinage, where silver could be coined into a dollar just as freely as gold can be coined, I should go to the Senator from Delaware and say, "I will give you 95 cents for 412½ grains of standard silver in the form of bullion in your pocket." Would you take it? I ask the Senator if he would take it?

Mr. Gray: If it could be coined into a dollar?

Mr. Allen: If it could be coined into a dollar free of charge by the United States would the Senator take 95 cents for it?

Mr. Gray: That depends.

After this Hill, Lindsey, Baker, Hawley, Chandler and Gallinger came to the aid of Gray and there stood Allen bravely fighting them single handed and alone, till the day closed.

THE DEBTORS OPPRESSED.

But Corporations Scale Their Debts, Reduce Interest and Extend Time of Payment.

We have all observed the difference between the treatment of corporate and individual debtors within the past three years of distress. We have observed corporations going into the hands of receivers, their property protected, their income diverted into betterments instead of being absorbed in interest payments, and we have seen plans of reorganization inaugurated and carried out, debts scaled, both in principal and interest, and extended as to time, thus relieving the ultimate owners of the property.

Have there been any such methods of relief for individual debtors? No. The stockholders in a corporation are protected by reorganization, by scaling of debts, by scaling of interest, by extension of time; but no such relief is offered to the individual debtors. On the contrary their difficulties multiply as distress increases. Every expedient of obtaining money is resorted to, interest increases, heavy commissions for loans are paid, extensions of time are denied, income diminishes, until finally overwhelmed by attachments, and foreclosures, they are driven to the wall and compelled to surrender all. It seems to me it is our duty to insist that they shall at all events be free from a mortgage on the future, on the courage, the enterprise, and the energy which may enable them to rebuild their shattered fortune.

Send us 15 cents and we will send you a copy of Coins Financial School.

JOHN SHERMAN LOGIC.

It's of the Gold Bug Variety—Self Contradictory.

EDITOR INDEPENDENT:—In the April Forum the great financier, John Sherman publishes an article entitled "Deficiency of Revenue the Cause of Our Financial Ills." Then he proceeds to attempt to prove his proposition and succeeds in proving nothing but the weakness and rottenness of the gold bug platform occupied by Cleveland, Carlisle, Sherman & Co. If repeated assertion would prove anything then his main proposition would be fairly well established.

He first points out Cleveland's mistake in attributing our present financial condition, "to the demand for gold for United States notes,"—a very grave mistake as we can all agree—instead of the deficiency of revenue as he expresses it, and then he proceeds to give us some figures. His own figures overthrow his main proposition.

He shows there was a surplus of revenue for each of the years ending June 30, 1891, 1892 and 1893; but he seems to forget that our "present financial ills" attacked the country very vigorously early in 1893, during the time there was a surplus as he says.

Then he gives figures showing deficiency as follows:

Year ending June 30, 1894	$869,803,260 58
Year ending June 30, 1895	42,805,223 18
Six months ending Dec 1, 1895	17,613,539 24

In all $130,222,023. If to this we add $4,000,000 a month after December 1, 1895 or $20,000,000, we have deficiency to June 1, 1896, only $150,222,023 while the total bond issue has been $262,000,000, What was the other $112,000,000 for? "To keep up the gold reserves." O, yes, of course, ostensibly, but John Sherman says the gold reserve never was touched until the revenues fell short and that the deficiency of revenue was the cause of the demand for gold for United States notes. Why then was not the demand on the gold reserve only just equal to the deficiency? Why was it $112,000,000 greater.

He then quotes Carlisles figures to show the demand for gold from July 1, 1879 to July 1, 1892 gold withdrawn from the treasury was only $43,310,896 and for same time gold exported was $388,354,757, all but the $43,310,896 being gathered from the country at large. But from July 1, 1892 to December 31, 1895, gold drawn from U. S. treasury amounted to $360,266,512 while the gold exported was $305,617,419, showing plainly that nearly all the gold drawn from the treasury from July 1, 1892 to December 1, 1895 was exported. The point in this, is that prior to July 1, 1892, the whole country had been drained of its surplus gold for export and then the demand on the government's gold reserve commenced and has been steadily kept up. No sooner was the gold reserve replenished by a bond issue than the process of dipping out the gold for shipment abroad was resumed.

Where is the gold? It has been "cornered." Augustus Sauerbeck tells us about it. He says that of the $830,000,000 worth of gold mined in the world in the seven years ending December 1, 1892 only $30,000,000 was added to the coinage in Europe and North America. He says the arts took $420,000,000 of it, the Orient and South America $110,000,000, Russia placed $200,000,000 in her war chest, Austria took $110,000,000 to enable her to get on a gold basis and in 1893 and 1894 the bank of France absorbed $72,500,000 and Russia $95,000,000 and Austria $50,000,000 in addition to amounts given above. Augustus Sauerbeck stands at the head of the statisticians of the world on the money question and his figures are worthy of credit. First, then, we see that gold is scarce. From 50 per cent to 60 per cent. of all that is mined annually is consumed in the arts and manufacturies. Europe has been, and still is, calling for gold as never before. Her demand for it has drained this country, hence, Mr. G—B. Sherman our financial ills. These financial ills are world-wide. Can this trifle of a deficiency of revenue in the United States cause such a mighty commotion in all the civilized world? Could a mouse throw an elephant into convulsions? It is the insatiable demand for gold. This demand has almost doubled its purchasing power, hence falling prices, business stagnation and bankruptcy for the millions. The remedy! cheapen gold by hitching silver along side of it again upon an evener to do half of its work. Lessen the demand for gold by setting silver at work and make it carry half of the monetary burden. Then we shall have rising prices and returning prosperity.

W. L. HAND.

Put Him to Work.

To the agricultural editor of this paper it seems as though the most sensible thing that could be done by Chadron and other towns in western Nebraska would be to abolish the office of city marshal and street commissioner and in their stead appoint a city tree planter, who should work himself and work the poll taxes in planting and caring for trees throughout the city. Most of the street work in this climate is labor thrown away. Grading and plowing the streets simply gives the dry winds a better chance to blow the dust. The streets in Chadron are always good roads, and outside of keeping up the crossings, really need no work. If Chadron for the next three years would use the city marshal, the poll tax and the water running over the reservoir in planting both sides of every street, vacant lots and all, to trees and keeping them alive, it would increase the value of property in this city more than anything else that can be done.

Without a Doubt.

THE NEBRASKA INDEPENDENT is all right.—Ord Journal.