

# The Nebraska Independent.

The Wealth Makers and Lincoln Independent Consolidated.

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NO. 1.

## FIFTY DOLLARS A PIECE

That Was the Amount in Circulation When We Had Good Times

## OFFICIAL FIGURES PROVE IT.

Continual False and Inaccurate Statements of the Treasury Department.

Yearly Statement of Circulation From 1865 to 1896 Will Soon be Published.

The editor of the INDEPENDENT, having received a large number of letters asking him to publish an accurate statement of the money in circulation from 1865 to 1896, both years included, and having found it impossible to make such a tabulation from the documents on file in the libraries of Lincoln, wrote to General A. J. Warner, calling his attention to the very great importance of such a document. We are glad that he has agreed to do this arduous work, and we will soon have the figures.

For the information of those who have written, and others who are alike interested, we append the General's letter, and also his statement of the per capita circulation 1865 and 1866.

General Warner's letter is as follows:

WASHINGTON, D. C., June 2, '96.  
T. H. TRIBLES, LINCOLN, NEB.—Dear Sir: I wrote you yesterday, before receipt of your letter of May 20th. As I stated in that letter, the treasury reports are conflicting as to the volume of money in different years, sometimes including both coin and coin certificates, and sometimes not. Official reports never take into account money held in reserve, and it is only money in circulation that affects prices, not money locked up in reserves. Moreover, the statements of the treasury made at the close of the war and those made recently do not agree, and it requires a great deal of work to go over them all and show all the discrepancies and get at the true effective volume of money in different years.

The quantitative theory of money cannot be proved or disproved by conflicting treasury reports as to the volume of money actually in circulation. At present there is not over \$1,100,000,000 in actual circulation, while some of the treasury reports, which include both coin and certificates, make the volume twice that.

I am preparing a monograph on the quantitative theory of money, which will be out in two or three weeks. Meantime I enclose to you a number of monographs bearing upon this law, and call attention especially to money and bank credits, agricultural prices, etc. If you will send to the treasury or to Senator Allen for the statistical abstracts from No. 6 down, you can get most of the information so far as it can be obtained at all from the treasury. Ask your man, Henry W. Yates, if the quantity of money makes no difference, why he objects to an increase.

Very truly yours,  
A. J. WARNER.

The following statement, giving the true volume of money in circulation at the close of the war, was included:

"No reason existed at the close of the war for mistaking the actual volume of money then existing, and there is no reason to believe that incorrect statements were at that time officially made; but for manifest reasons statements have more recently been made changing the original treasury statements as to the volume of money, by leaving out certain classes of currency, some of which performed at the time all the functions of money, and others of which took the place of reserves in banks, and thus as much contributed to form the effective volume of currency as if they had been kept in actual circulation.

"The volume of currency reached its maximum in 1865, and, according to the report of the secretary of the treasury of that year, consisted of the following items: (See statistical abstract No. 9.)

Gold.....	139,000,000 00
Subsidiary silver.....	2,500,000 00
State bank circulation.....	142,910,638 00
Demand notes.....	472,603 00
1 and 2 year notes of 1865.....	42,238,716 00
Compound interest notes.....	193,735,898 00
Fractional currency.....	25,906,828 76
National bank notes.....	146,137,860 00
Greenbacks.....	431,998,428 00
Total.....	\$1,186,197,147 76

"The volume of national bank notes given is for June 30, 1865. By October they had increased to \$171,000,000, and by July, 1866, were \$281,000,000, which shows how rapidly banks increase the currency when it is their interest to do so.

"The above does not include the \$829,992,500 of 7-30 notes issued under the acts of July 17, 1861, June 30, 1864, and March 3, 1865, which were legal tender, and of which over \$182,000,000 were of denominations below \$100—the lowest being \$10. Mr. McCullough, in his report for 1865, said of the 7-30 notes: 'Many of the small denomination of which were in circulation as money, and all of which tend in some measure to swell the inflation, etc.'

"If these 7-30 notes are added to the above table it gives a total volume of \$2,101,890,470. Besides this there were temporary loan certificates, certificates of indebtedness, 5 per cent treasury notes, etc., all of which, to a greater or less extent, took the place of money in daily transactions.

"The above figures are taken from official reports made when there was no

reason to mislead the public as to the true condition of the treasury, which is not the case with the statement put in 1891, claiming only \$770,120,755 as the total money in the United States, out of which \$714,702,995 was in circulation, and for a population of 35,000,000.

"The war had scarcely ended June 30, 1865, and the states in rebellion had scarcely begun to share in this currency. This volume, therefore, was at this time used almost exclusively in the north, and by a population of not more than 24,000,000, instead of by 35,000,000, which, leaving out the 7-30 notes gave a per capita circulation of nearly \$50; or, if the 7-30 notes be included, it gave a circulation of about \$80 per capita. Therefore, the oft-repeated statement that at the close of the war the circulation amounted to \$50 per capita, is well within the bounds of truth. Indeed, the recollection of the plentifulness of money and the high range of prices during and at the close of the war, is too vivid in the minds of elderly people to permit contradiction of the facts here given.

"The first contraction consisted in the retirement of the state bank notes under the 10 per cent tax, and the extension of the existing currency over the southern states, distributing it among a population of 35,000,000 instead of 24,000,000. Then came the retirement of interest-bearing notes, and, lastly, the retirement of the greenbacks down to \$345,000,000. By 1869 the volume had been reduced to less than \$700,000,000 for 40,000,000 people, and was no larger in 1879 for 48,000,000 people.

"The fall of prices as a consequence, and the panic of 1873, are yet vivid in the minds of the people, and need not be rehearsed here. The fall of prices still goes on under the single gold standard, as gold becomes scarcer and dearer. The present liquidation is but a re-adjustment of prices to an increasing money standard, and must be repeated as long as gold continues to increase in value. There is no remedy but more gold, or make silver again do the work of gold."

## THE RULE OF THE DOLLAR.

If the Majority Refuse to Furnish the Dollar, Then What?

This uncoupling of our silver to cause a scarcity of coin, and this compelling the mortgaging of the country in borrowing money to carry on its government, is an imitation of and in keeping with the national debt system of the European governments—nothing else.

And if the money kings cannot succeed in getting the country bonded to them in that way, by demonetizing half of the money of the country, they will try to get up a war, so as to produce an increased and standing national debt—thus giving the country into their hands.

So, my friend, hadn't we better be getting out in the road at once, and stop this talk about "the people" being the stockholders of this government, and let these volunteer rulers have their own way—let them have the next president and congress and whatever they want?

"Won't we have enough left after letting them have what they want?"  
"Because we are all yet to follow Thomas Jefferson and Andrew Jackson and Abraham Lincoln into another world, is it any sign that we are to treasure the wisdom they have left to us in this world?"

My friend to whom I made these remarks, although somewhat aristocratic in his ways, censured the remarks, saying they were somewhat ironical—if not ironical, they were pusillanimous—would not admit that the country was going to the devil, or that he was going there either—that he maintained that whatever principle was good in one world was good in both worlds, and that the Almighty had both worlds yet under His control.

He acknowledged that just now the minority had one apparent advantage over the majority in the country in having more dollars than the majority, but that it was only an uncertain and slippery advantage, "for I may be with a favored minority now, and my children may either be with a neglected or prosperous majority in the future." And he goes on to say that this dollar advantage of the minority is of necessity treacherous and unreliable, for the majority may hereafter refuse to furnish the minority with the dollars as heretofore for them to use in controlling elections and legislatures and court machinery, and that is what I believe will be—that the country will be relieved from the dominion of the dollar, as it has already been relieved from human slavery, let us hope, without a war." Principles and events new to us are awaiting discovery.

The "X rays" will yet reach into our political and social relations and affairs.  
J. B. PACKARD.

Wahoo, Neb., June 4, '96.

## Hurrah for Kem!

Wonders will never cease. Every republican pencil pounder from Billy Annin at Washington to Joe Paradis at Alliance has sworn for years that Kem was nobody, that he was nothing with the insides taken out—that he never had done anything and never could do anything. And now—what—KEM? Stopped the machine at Washington and won't let the Omaha exposition bill through! Ye gods! Actually killed a few steals and they won't give Nebraska an appropriation! Jerusalem! Boys, get out the anvils! Whoop for Kem! Redheaded Kem—from—the Sixth—Nebraska—district—old—frazzled—cipher populists—nobody—our congressman!! Stopped a few steals and broke the machine! Hip, hip, hurrah—for Kem!—Signal-Recorder.

That's It Exactly.  
Populism and prosperity, republicanism and ruin, democracy and damnation.—Schuyler Quill.

## NEBRASKA SCHOOL FUND

Have the Children of the State Been Robbed Again?

WHERE IS THAT \$600,000.00?

The Republican Ring Will not Tell and Refuse to Invest it.

Many Prominent Men Believe That the Money is Gone.

Gov. Holcomb has made a long and persistent fight, continued for months without cessation, to force the republican ring at the state house to invest the school fund—a full account and a copy of the official record of which is printed in full below—but those gentlemen refuse to invest the fund as required by law, amounting to over \$600,000,000, or to tell where it is. The books say that it is in the hands of the state treasurer, but every one knows that it is not there. Where is it? The children of the state are entitled to the interest on it. It is a permanent trust fund, the interest upon which was intended to support the common schools of this state.

Either the state treasurer has it invested and is stealing the interest which belongs to the children of this state or it is locked up in a vault lying idle, or the money has been loaned and is lost.

It is a public fund. It belongs, not to these republican state house officials,

probably receives only about half of that amount and therefore he and his party associates hold the more tightly to the fund for the education of the children of the state. It doesn't appear like a business proposition for the state to pay \$20,000 per annum to a man to take care of its funds when the other possessors of the money of the realm receive an income from its use.

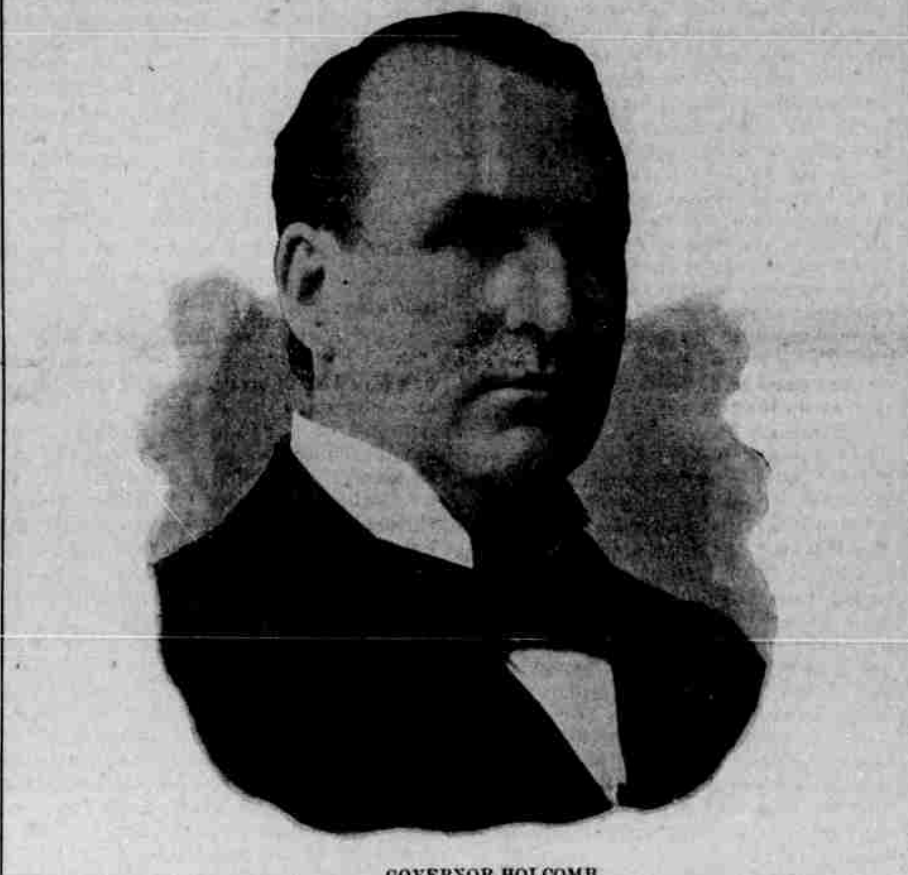
For an entire year Governor Holcomb endeavored to get the board of educational lands and funds, consisting of himself, Treasurer Bartley, Attorney General Churchill, Land Commissioner Russell and Secretary of State Piper, to place the state's funds where they would realize an income, but without success. Although the board is supposed to meet every month it was impossible to get them together that often. When they met the governor would receive specious promises for the early investment of idle funds and so the matter ran along until January 15, when the governor opened the fight in earnest by the introduction of the following resolution:

Whereas, It is provided by law that the board of educational lands and funds shall at their regular meetings make the necessary orders for the investment of the permanent school fund in United States or state securities and registered county bonds; and

Whereas, As shown by the report of the treasurer, there is now on hand uninvested a large sum of said permanent school fund, to wit: \$611,111.67; and,

Whereas, It has been determined by the supreme court that state warrants issued in pursuance of an appropriation and secured by a levy of taxes for their payment, are state securities within the meaning of the law; and,

Whereas, The state warrants heretofore issued from time to time against the general fund in the state treasury and in pursuance of an appropriation made by the last legislature for the payment of such a levy of taxes has been made and



GOVERNOR HOLCOMB.

but to the people of Nebraska. The owners of that fund want to know, and have a right to know, where that money is. If the money is gone and Nebraska has no public school fund they want to know that and have a right to know it.

These republican officials will give no information about it. All that can be done is to report the current rumors concerning the matter.

One report is to the effect that the \$600,000, was divided up and loaned to favorite banks in different parts of the state, that the banks loaned it out, and cannot collect it, and if a call was made for the money it would break a large number of banks and start a panic in the state.

Another report is to the effect that the treasurer has it loaned and well secured and is drawing about \$20,000 a year in interest which he puts in his own pocket or divides up among the gang.

Still another report is to the effect that the money was loaned and is irredeemably lost, and that desperate efforts are now being made to secure a successor to the present treasurer who will take certificates of deposit instead of good hard cash when he is inducted into office.

Whether any of these reports are true or not, the undeniable fact remains that this republican state house ring is swindling the school children of Nebraska out of \$18,900 or \$20,000 a year interest money, which they are shoving down in their own pockets by refusing to invest the permanent school fund.

But the efforts of Governor Holcomb to get the state's idle school fund invested are bearing some fruit. He has succeeded by constant fighting in getting the board of educational lands and funds to purchase during the past few months county bonds of Greeley, amounting to \$30,000 and an agreement has been extracted from the board to take the Boone county issue of \$25,000. To the average citizen this appears like a very small investment when over \$600,000 of the permanent school fund lies idle in the treasury but it has not been for the persistent efforts of Governor Holcomb the school fund of the state would not be realizing interest on even this small sum of \$55,000.

Republicans are used to rating the income of the treasurer's office at \$40,000 per annum but the present treasurer

## GETTING BADLY SCARED.

THE STATE JOURNAL AS GOOD AS GIVES UP THE FIGHT.

The old Thing Sends Forth a Heart Rending Wail of Woe.

The following editorial appeared in the State Journal of June 6th. If any pop had a lingering doubt that we might fall in carrying this state at the next election, he will have none after he reads this. The State Journal says:

The inevitable consolidation of the free coinage democrats with the pops for the coming campaign in Nebraska makes it incumbent on the republicans in their state convention to throw aside all personal preferences and prejudices and select the strongest possible candidates for the emergency. The election of a legislature by the coalition in addition to the replacing of Holcomb in the gubernatorial chair would so far counterbalance in this state the triumph of the republican party in the national canvass that we would expect in vain the return of good times.

The coalition is a virtual surrender to the majority of it, which will be pure and unadulterated pop. We are therefore on the eve of the most exciting and important campaign that was ever fought in this state. The necessity of putting in the field candidates for state offices, and especially a man at the head of the ticket who can carry the banner and make the strongest attainable fight on the stump, whose personal character and abilities will be pre-eminent, who is in himself an argument and a vote compeller, is beyond all question to thoughtful republicans.

Let the republican delegations already elected and those to be hereafter named bear in mind the gravity of the situation and come prepared to sacrifice personal and local favorites to the good of the state at large. We have got to put up the greatest fight of the generation and there must be no dead timber to weaken our barricades. We must have men of power in the fore front of the battle.

This is not a year in which "anybody can be elected," and if we lose sight of that fact we run the risk of losing everything.

MONEY BUYS MORE THAN EVER.

Disinterested Benevolence of the Capitalists.

The manufacturer depends upon the merchant. What use to make goods if a merchant cannot buy at a profit to the maker? What use to the merchant to buy if he cannot sell at a profit to himself? The contagion of the paralysis passes from the merchant to the manufacturer. He reduces wages; he cuts close and pays lesser prices for his raw material. But as the contraction of the currency continues, prices of all products go lower and lower; the prices paid for this year will leave no margin of profit for the next year. The manufacturer gets desperate; his factory closes; his machinery rusts; his plant decays; his enterprise fails.

Mean while wages decline. The demand for labor decreases as enterprise decreases, and wages decrease as demand for labor decreases. The laborers can get no work, or must take any job they can get at any price that will hold soul and body together. The mechanic's wife stares starvation in the face; his children cannot keep up decent appearance in the public schools, or find work for their fingers. There are strikes and lockouts; then come the tramp of soldiery and menacing steel. The capitalist, if he is oblivious of this, sits back in his easy chair and says: "We must have a big army and a strong government; the days of Jeffersonian democracy have gone by, and Macaulay's letter to Randall was a true foreshadowing of our future; the old idea that a president should never fill the chair but twice belongs to a time of inexperience and adolescence. Suicides increase, burglaries increase, failures increase. Money now buys more than it ever would before; the usurer thrives; the demagogue stands out before the poor man, and with subtle flattery for his vanity tells him that he wants the poor man to have as good a dollar as the rich man, and the best money in the world. The poor man meantime who has few dollars of any kind and little or no work of any kind, looks up with a dubious scowl on his face and marvels much at this expression of disinterested benevolence. But money is getting dearer and dearer; it buys more and more; and the self-complacent capitalist, who is getting richer and richer on other men's ruin, declares that times are prosperous, and that the discontent is all due to the agitation of the silver question!"

## A Serious Lack of Ideas.

Want of confidence is now loudly proclaimed to be the cause of the disturbance by the superficial observers who witness the panoramas before them, and who can see plainly that want of confidence is an attendant circumstance. They have mistaken an effect for a cause. "Restore confidence" is at once the panacea prescribed as a sure cure for the evil. The unthinking and the crafty are alike fond of this vague phrase—for it conceals the lack of ideas of the one class and the subtle designs of the other class. Want of confidence has existed with all the monetary panics that ever visited the earth. "To restore confidence" has been the desire of every person who ever prescribed for the infirmities of society. But want of confidence is always an effect before it becomes a cause; and the want of confidence that comes from every contraction of the currency is always the effect of the declining values pro-

duced by that contraction and it can never be cured while the cause is operative. To restore confidence without removing the cause is impossible, and he who clamors for confidence while contraction is undermining the property on which it is based might as well cry out against buildings falling down when the foundations are crumbling beneath them

## TO NEBRASKA POPULISTS.

Statement of the Chairman of the State Committee.

PEOPLE'S PARTY HEADQUARTERS, LINCOLN, NEB., June 8, 1896.—My attention has been called to an address sent out by the Douglas County Populist club, in which it is set forth that an attempt is being made to override the action of the state central committee in the plan of electing delegates to the national convention; that instead of nine delegates being chosen by the congressional district as provided by the call, there will be an effort to have the fifty-seven delegates elected by the state convention at large.

I am sure that this charge is entirely without foundation. I have never heard any talk of such an attempt, except from a certain quarter of Douglas county. The action taken by the state central committee must govern the state convention, nine delegates must be selected from each congressional district by the delegates present in the state convention from that district, as provided in the call. No other course has been suggested to me by any populist and I am sure it will not be suggested in the state convention.

The only question that has been talked of in regard to this matter is: "Will it be necessary for the state convention to ratify the choice of the congressional districts? Whenever approached on this subject, I have invariably given the opinion that the question must be decided by the state convention itself. There was a motion introduced in the state committee that the action of the congressional districts should be subject to the approval of the state convention, but it was withdrawn and no action was taken by the state committee on that phase of the question. This is my recollection of the matter, the minutes kept by the secretary corroborate it, and all members of the committee with whom I have talked have the same recollection of it.

As I stated above the place where this seems to have originated is in a certain faction in Douglas county. What is the trouble up there? Does someone expect to be elected from that district who fears that he cannot receive the indorsement of the state convention? It would almost seem so. I have just been informed that Mr. Paul Vandervoort paid the printing for this circular and the postage for getting it out and donated his bill to the club.

It is not hard to see the African in this woodpile. The charge that there is an attempt among populists in the state to send a delegation to St. Louis which will try to cut down the platform or nominate other than a straight candidate for president, is, I am certain, as unfounded as the charge concerning the election of delegates. I talk every week with populists from all parts of the state, and in giving my own opinion, I am giving the opinion of nearly every one with whom I have conversed.

I adjure the populists of this state to go forward shoulder to shoulder to organize for the great campaign of his fall.

J. A. EDGERTON,  
Chairman State Central Committee.

The Blue and the Gray.  
BREWSTER, NEB., June 6, '96.

EDITOR INDEPENDENT:—All fears of a drouth were dispelled by the soaking rain which visited this section last night. Literally, we are in the swim again. The crop prospect is unusually good.

Judge Thompson closed the spring term of district court in this county last week, clearing up the docket in two days. Very few cases went over.

Irrigation along the North Loup has passed the experimental stage and is now an established success. Several thousand acres of Blaine county soil will be watered by ditches by July 1.

Decorative day was appropriately observed. A most enjoyable literary program was carried out under the auspices of the G. A. R. Peculiar interest attached to the occasion by reason of the preaching of the memorial sermon by the Rev. Dr. A. B. Cox, who was in the confederate army during the late unpleasantness, serving on the staff of General A. S. Johnston at the bloody battle of Shiloh. The address was favorably commented upon by members of the G. A. R.

## He's a Hired Liar.

It is hard to believe that the editor of the Tribune does not know that the value of all money, of whatever material composed, depends absolutely upon its "quantity." That as its quantity is increased, other conditions remaining the same, the value or purchasing power of the money will diminish. That as the quantity of the money is diminished, other things remaining unchanged, its value or purchasing power will increase. It is a principle that is denied by no respectable authority living or dead, and it applies to money made of one material exactly the same as it does to that made of another.—National Bimetallist.

## A Disorganizer.

The Missouri World appears to be endeavoring to the best of its ability to disorganize the populist party and cast unjust and unfair reflections on the men who have for years been in the front fighting its battles.—American Crescent.

(Continued on 24 page.)