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## GOV. STONE'S ADDRESS

Responds to the Toast, "The Business man in Politics."

## HIS DUTY TO HIS COUNTRY.

Agriculture and Productive Industries, Principal Business Interests.

### Alarming Concentration of Wealth.

The Annual banquet of the Jacksonian club of Omaha, was given at the Paxton hotel, last Saturday evening. More than 300 guests were present. It was the most elaborate banquet ever given by the club. By invitation, many prominent officials were present from all parts of the state. The speech making began about 11 o'clock in the evening and continued until four o'clock in the morning. Mr. I. J. Dunn, officiated as toastmaster. Mr. A. C. Shellenbarger was introduced as first speaker. He responded to the toast. "The day and why we celebrate it." Mr. J. A. Graham, of the St. Louis Republic, spoke for "The Press." Mr. Page discussed "Nebraska under the new regime," after which governor Holcomb was introduced for a short address. Other speakers were Hon. W. H. Thompson, Mr. T. J. Nolan and Mr. W. D. Oldham.

The principal address of the evening was delivered by ex-governor W. J. Stone, of Missouri. His subject was "The Business man in Politics." His address was as follows:

I understand that gentlemen are present tonight who are prominently identified with the great business interests of this section. To them, especially, I wish to address what little I have to say. I am induced to do this because nowadays we hear so much about what the business interests of the country demand. If it be true, as I hear it is, that the business men intend to take a more active part in political affairs than they have heretofore, I am glad of it. Business men should study public questions with the greatest care, and personally aid in correctly solving them. They should become an active, practical force in shaping both party and public policies. Every consideration of duty, public and private, requires that much of them.

From that standpoint I wish to address myself to the business men tonight. The real business interests of the country should be the especial care of government; for every sensible man must recognize that national greatness and the welfare of the people are ordinarily more dependent upon prosperous conditions than upon anything else. Everything possible should be done to promote the business interests, and nothing done to their detriment that can be avoided. This being true, the whole country should welcome businessmen into the domain of active politics, when they come, not to promote selfish ends, but to serve their country in the spirit of patriotism. Whoever takes part in public affairs to advance a special interest, without regard to the general good, is actuated by unworthy motives, and is not a safe adviser. Selfish counsel is rarely safe or wise counsel. The highest duty of every citizen, especially of every public man, is to improve constantly the moral tone of the nation and to intensify the spirit of patriotism by exciting lofty ideals among the people. Whatever tends to the debasement of public morale or to lowering the standard of public integrity; whatever tends to weaken our institutions of government or to lessen regard for public authority, should be regarded with uncompromising disfavor. No stress of political exigency, no possible condition of circumstances, will warrant a resort to methods which degrade politics or which destroy the faith of the people in the honor and dignity and patriotism of their government. The public good—by which I mean that which most strengthens our institutions and contributes most to the happiness of the greatest number—should be the incentive to political action, and, therefore, the standpoint from which public questions should be considered. I would like to say, if I can without offense, that I sometimes fear that many men, particularly business men, enter upon the study of public questions predisposed to certain opinions, and that they prosecute their inquiries more to sustain those opinions, which are often based on personal considerations, than to develop the real truth and reach correct conclusions. Active businessmen perform a wonderful work in national development, and are entitled to high respect and consideration, both because of their intelligence and enterprise; but it is natural for such men, absorbed with their own undertakings, which often involve much hazard and always much labor, to view public questions from the somewhat narrow standpoint of their own environments. I do not say that this is always true, but it is not, far from it, but I do say that I fear this is often the case. And having said this much, I will venture to add, that a diligent investigation of public questions is nearly always superficial and therefore is really worse than none at all. I think it true that none are better qualified to study and comprehend business conditions, and to suggest wise policies for their betterment, than practical business men, but nevertheless, when they come uselessly to the conscientious study of public

questions solely from the standpoint of the public good, they encounter the same difficulties that embarrass others when they enter upon similar investigations. There is no monopoly of truth, nor royal road by which it can be reached. It can be reached only through patient, honest and patriotic study. This way is open to all alike, but practical experience is a great aid to the conscientious student. There is such diversity in the vast business interests of this country, and the relation different interests bear to each other are so complicated, that what may be sometimes considered advantageous to one, may in fact be more or less damaging to another. No legitimate business should be injured, nor one industry built up at the expense of another, if it can be avoided. This cannot always be wholly avoided, but as far as can be it should be.

The mere fact that a given policy may be advantageous to a particular industry is not of itself objectionable, provided the industry is a useful one, and provided no harm is done to other interests or to the public welfare. Along conservative and prudent lines I believe in extending every possible encouragement and help to the useful employment of the people. The policy of protection, for example, is not objectionable because it is supposed to encourage manufacturers. If protection, so called, does in fact encourage and benefit the art of manufacturing, to that extent it is praiseworthy, for manufacturing is one of the greatest and most useful of human employments. Whether it does benefit the manufacturing interests in an open question, concerning which our most thoughtful men, including manufacturers themselves, very widely differ. But it once be conceded that protection is an aid to manufacturing, then to that extent the policy possesses merit. But even if it has that merit, which I do not believe, still there are other questions, paramount questions, to be considered and settled before the country should commit itself to that policy. What effect will or does the policy of protection have on other important industries and on the people? That is a primary question of such importance that it must be determined before the policy of protection can be safely entered upon or adhered to, even if the policy be considered advantageous to protection itself. If it is detrimental to other industries; if it creates monopolies; if it fosters trusts and great combinations which extract from the people and corrupt the fountain of public authority, then it is unwholesome, does more harm than good, and should be rejected. When the manufacturer comes to study these questions and to decide them purely in the public interest, his patriotism is put to the test—for the privileges and profits of monopoly are most tempting to human selfishness.

Again, for another example: The fact that free silver coinage might be an advantage to the silver miner, is of no objection to the policy, but rather an argument in its favor. When the mines are prosperous labor is employed, and a market opened to the products of the farm and factory. This, in turn, stimulates those industries, at the same time augmenting the volume of transportation, and this widens the whole field of employment. That the policy of free coinage might help the industry of mining is no objection to it; neither is it in itself a sufficient reason for entering upon it. The effect of the policy on other useful industries, and on the real business interests of the whole country is another and higher point from which the question must be considered. It is a question which must be solved in the light of this broader view. And what is true of protection or of free coinage is true of every policy affecting a particular interest. Special interests, it must be remembered, are always apt to be more or less sordid, and willing not only to accept advantages but to seek them. If those interested in a particular industry are permitted to establish policies of government for their special benefit, they are tempted to abuse their chances to the prejudice of others. That should not be permitted. What is the best for the whole country is the question which lies at the base of all patriotic endeavor put forth in the public service; how best to advance the business interests as a whole, how to reconcile conflicts between them, and yet conserve the rights of all; how to weld the diverse and manifold industries of the nation into one harmonious system; how best to stimulate legitimate enterprise, to secure employment to labor, and to diffuse a generous measure of prosperity through all the channels of useful industry, are problems that the business men can consider with profit, and I believe can do much to correctly solve. But right at the threshold of these inquiries stands this fundamental question: What are the real business interests of the country? That must be decided before it can be determined what is best for the business interests as a whole. Generally, it can be said that every industry or occupation which contributes to the aggregate wealth, or which adds something to the comfort and conveniences of mankind, represents a legitimate business interest; and it can also be said that those industries or occupations which accomplish most in this behalf are the most useful and benevolent, and should receive first consideration from those in authority. In the industrial world I believe the business interests can be fairly separated into two general classes. One may be called the producing class, the other the non-producing class. One creates wealth, the other absorbs it. To ask which class is the more useful, is to propound a question which furnishes its own answer. Every industry of the first class is useful, and some are indispensable. Of the second class some are useful, though in less degree, while some are wholly bad. Of the useful industries—by which I mean those which add most to the aggregation of wealth and contribute most to the felicity of mankind—agriculture, mining, manufacture, and

transportation are the most striking examples. They are so because they are the principal sources of national wealth; because they furnish a vast field for the employment of labor; because they supply the volume of our trade and commerce; and because their products are essential to human progress and happiness. Of all these, agriculture is easily the first. It is so, primarily, because the products of the field and pasture are indispensable to human existence. Men could not exist without them, and hunger would exchange the wealth of the world for bread. Crosses would render his treasures rather than his granaries. But in addition, agriculture furnishes employment to a large number of our people than any other industry, and contributes more than any other to our periodical augmentations of wealth. We are dependent upon it not only for what we eat, but for what we wear; for raiment as well as food. From the farms of the nation come the materials out of which our clothing is fabricated. On that account agriculture is the base of many important manufactures, and thus indirectly furnishes employment to thousands not immediately connected with it, but it is also the chief support of transportation. Railroads and ship companies could scarcely exist if they could not convey the products of the farm to the markets of the world. Agriculture is the life of commerce, both foreign and domestic. It supplies the bulk of our exports, and thus preserves that equilibrium of trade without which we would grow poor instead of rich through international exchange. When agriculture prospers the light shines on everything, and when it languishes all other useful industries are depressed. It is, in short, the foundation of national prosperity. For these indisputable reasons agriculture must be given first place among the useful industries of the country.

Next to agriculture comes mining, manufacturing and transportation. All these serve not only useful, but necessary purposes to our economy. They add to the national wealth, give employment to labor, and contribute to the well-being of mankind. These are the four great wealth-producing industries of the nation. They represent—in fact, comprise the major part—of those interests which constitute the productive class. Whatever tends to promote these interests on equal terms is for the general welfare. When they are prosperous, the country is prosperous. When either stagger under adversity, the shock is felt by all.

Among non-producing employments, distinctions based on merit are more difficult to make. But of all these, legitimate banking is perhaps the best, while stock speculating and option dealing are certainly among the worst. Legitimate banking serves a good purpose. It provides a central, and usually a safe, depository for individual funds, which without the banks would, in most instances, be widely scattered in small holdings. This concentration of funds is a convenience to trade, and gives opportunity to do good, and what do you want, anyway?"

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BY THE INJUNCTION ROUTE.

Foreign Insurance Companies Seeking to Have Laws Unconstitutional.

The foreign fire insurance companies doing business in this state have determined to seize the bull by the horns by fighting the constitutionality of the two acts passed by the last legislature declaring insurance compacts illegal before an attempt is made by the state authorities to put the provisions into force. A case has been started in the federal court in which the constitutionality of these laws is directly attacked. Judge Munger has issued a temporary order enjoining the officials named from proceeding under the acts and has set the hearing of the case for January 18 at Lincoln.

The two acts which are thus assailed were both passed on April 25, 1897, and are known as Senate file No. 330 and senate file No. 2. The former is a general provision against trusts and conspiracies against trade and business and interests the fire insurance companies, as it defines one form of trust as a combination to prevent competition in fire insurance. The other act is of direct interest to the companies, as it is a special law to prevent combinations between fire insurance companies and provides penalties therefor.

### PRESIDENT BENJAMIN ANDREWS.

Addresses the Kansas Teachers' Association—Criticizes Present Banking Methods

Dr. Benj. Andrews of Rhode Island, seemed to have left his muzel at home when he recently spoke to the Kansas Teachers' Association. He was as free and breezy as any westerner. Later in an interview he disclaimed having given up his silver views that at one time jeopardized his position as president of Brown University and speaking of the evils of the present banking system said: "I have positive information that some of the large New York banks informed their correspondents, with whom the eastern institutions was indispensable, that furnishing aid to the opposition, or silver campaign, meant an immediate cutting off of favors.

"The New York banker tells the banker of the west what principles he must follow politically and in a business way. The New York banker is subject to the dictation of London. We are like a han. From one sister, London, comes the dict to New York. From there it is distributed to the various parts of the United States, and the people are subservient to a system, the fountain head of which is in England, the active body in New York and its tributary element in every city of the United States."

## ALLEN'S RESOLUTION

Free Coinage of Silver and Other Populist Principles Defended.

## BANK MONEY DANGEROUS

Volume of Money Should be Sufficient to Meet Business demands.

### What the Populist Party Wants.

Nebraska's Senior Senator never sleeps. He is a constant menace to the encroachments of the gold power upon the rights of the people. Always at his post of duty he never fails to stand up for the rights of the people and advocate the principles of the populist party at every opportunity. In the senate last week he introduced a resolution setting forth the populist belief concerning the financial policy of the government, and submitted a few remarks in its favor. The resolution was as follows:

Resolved, That the United States should, without delay and without waiting for the consent of foreign nations, begin an unrestricted coined issue of standard silver at the present legal ratio of 1/16 part of standard silver to one part of standard gold; that such coinage should be supplemented by a safe and sound national paper money, to be issued directly by the government, and without the intervention of banks, which should be a full legal tender for all debts, contracts and obligations; that such money should be issued in an amount sufficient to meet the demands of the public interest-bearing debts should be prohibited and no government bonds should be issued or sold except by a specific act of congress authorizing the same, and that in increasing the volume of money all laws discriminating individuals to discriminate or discriminate against any form of money by private or special contract should be repealed, and the government in the discharge of its obligations should use its option as to the kind of lawful money in which they are to be paid, and such option should never be surrendered to the holders of government securities.

In support of the resolution Senator Allen said:

Mr. President, these resolutions embrace the substance of populist belief on the money question. I will content myself at this time by speaking in general terms, but I shall at another and more opportune moment take up the principles mentioned and discuss and analyze them fully. It seems to be anomalous to some persons that the populist party should have an existence, and still more surprising that it should increase in numbers. Many believe "there is no room," as they say, "for three parties," and I have frequently been asked the broad and somewhat vague, if not idle, question, "What do you populists propose to do, and what do you want, anyway?"

The populist party wants, in the first place, without delay and without waiting for the consent of any other nation, the free and unrestricted coining of gold and silver at the present legal ratio. This has been discussed so frequently in the public journals, on the hustings, and in congress, that there is now much new to be said on it so far as its academic features are concerned, but it involves the quantitative theory of money, and I believe those who oppose that theory have been driven from the field of discussion and defeated at every point. I think no man lives or ever will live who can demonstrate that the plutocratic theory of money—namely, that its value is in the substance on which it is stamped or printed—is correct, while I think every school child of intelligence and of fair education can show that the sole value of money, as money, is in the office or function of circulation and exchange. But when the money function ceases and the substance enters the commercial world, a different rule applies.

This being true, and it likewise being true that the volume of money in a given country must at all times be equivalent in its exchange value to the sum of all other things held for trade in that country, it is important that the volume should be such as will give every laborer fair compensation for his work and every man who has anything to market a fair price for his commodity. This cannot be done under the single gold standard, for the simple reason, if for no other, that there is not enough gold in the world to perform the work required of money, and I use the expression "money" in its comprehensive sense as embracing both money and currency as those words are commonly used. These are some of the things the populist party wants.

The second proposition is that the volume of gold and silver coin should be supplemented by full legal-tender paper money issued directly by the government, and that private associations should under no circumstances be permitted to issue notes for circulation, if one should be given the power, all should have it, and currency would be issued without restriction and become as worthless as shavings.

Sound policy requires that the power of issuing money, being sovereign in its nature, should remain in congress, where it is placed by the constitution. Any abandonment of the power by congress would be in violation of the constitution and be bound to lead to bad results, and would, by giving the right of sudden expansion and contraction, be used in the interest of the association to whom it should be given, to the injury of the people. The issuance of bank notes costs every human being in the United States annually 3 cents per head, and this tax is unnatural, unjust, and inexcusable, and in a government where conscience and justice were the ruling motives of legislators could not exist. Legal-tender notes are issuable by the government under the constitution, as

has been declared in half a dozen or more cases by the supreme court, and in a score of well-considered cases by the courts of last resort of many of the states.

Of course such a volume of money should not be without limitation, if it were not limited it would be as worthless as a volume of valueless national bank notes. In fact, all money, whether coin or paper, must be limited to preserve the equity of contracts and measure truly the value of property and services. In the case of coin, nature fixes the limit, and we call it the automatic theory of limitation. In the other case congress, the lawmaking authority of the government, would be required to rigidly limit the issuance of money. There is much difference of opinion as to whether paper notes should be redeemable in coin by the government or not. I hold that a reasonable volume of full legal-tender paper money, anticipating the revenues of the government, redeemable therein, and receivable for all public debts and dues, is a sufficient redemption at par with any other.

To permit national banks to issue money is not only a flagrant and inexcusable abandonment of the sovereign power to issue money, but it places a dangerous instrument in the hands of the few for their own pecuniary benefit at the expense of the millions. I can not believe that national banks are altogether patriotic institutions. I do not believe that in increasing the volume of money, or in decreasing it as they are doing now, they would be actuated by anything like patriotism and a due regard for the public welfare. I think, like all others engaged in private enterprises to advance from their own pecuniary condition, they would be guided solely by the consideration whether they would make money by contraction or expansion, and thus the power would be placed in their hands to contract the volume of money and thereby throw millions out of employment, shrink the value of property to a point where they might buy it for one-half, or less, its actual value, and then, by a system of sudden and wild expansion and contraction, buy and sell to their own private advantage, and thus the endless process of bankruptcy and inflated periods go on as the result of their exercise of this power, to the infinite injury of the people.

Mr. President, the power is dangerous from another standpoint. We can not shut our eyes to the fact that the money power dominates every branch of the government, while the people are deceived into believing that this is a popular government, in which they have a full share. It is a government by the few and for the few. If this power of issuing money were turned over to the national banks, it would be but a comparative short time until the masses would be practically deprived of their right to vote or to participate in the government in any form, and we would pass from the semblance of a republic to a complete aristocracy, without any pretense of a government by the people.

These consequences are fearful to contemplate, and the power is too great and decidedly too delicate to be intrusted to the few. We should not imperil the interests of present and future generations by farming out this right to associations. I hold that man to be an enemy of his country, whether consciously or not I do not pretend to say, who would turn over the power to make and issue money to private institutions. It would be just as well, as patriotic, and as wise to farm out the right to command the army, or the navy, or to render judicial decisions, or to perform any other duty that is public and sovereign in its character, expecting them to deal justly in the interests of all, as to expect national banks to take into consideration the public welfare in the issuance of money. I am, have ever been, and shall always remain decidedly opposed to the issue of national banks.

The volume of money should, of course, as I have said, be sufficient to meet the business demands of the country and to restore and maintain the just level of prices of labor and production. Inasmuch as population and wealth increase annually a little less than 3 percent, the volume should keep pace with that increase, thus giving a contract made today the same value in human production five years from now that it possessed at the moment it was made, and no more. A law that will approximate that end will deal out justice closely as we can hope to approach it.

I regard it as a signal of danger that we have entered on the policy of issuing interest-bearing obligations on every conceivable occasion and pretext. The fathers of our country warned us against a perpetual national debt, for debt is human bondage, and those who are obliged to pay it are slaves. They may assemble and resolve that they are free, but they are bondslaves until the debt is paid, and the government, like a prudent individual should get out of debt as speedily as possible and remain out. It would be useless to point out that the government interest-bearing debt of less than \$3,000,000,000 at the close of the war has cost the people, in their labor and productions, over \$7,000,000,000 thus far, and yet we have a thousand million dollars left, and the administration and Mr. Gage, the secretary of the treasury, would have us increase the interest-bearing debt to a thousand million more, the interest charged to the people under such circumstances being \$60,000,000 annually.

There is no law in the statute books authorizing the issuance of government bonds, and every such obligation issued under the administration of Grover Cleveland is ipso facto null and void for want of authority, and would be so declared by any court having the moral courage to administer the law as it exists. The Bland-Allison act of 1878 and the Sherman Act of 1890 contained the seeds of their own destruction, for

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## MANY IMPROVEMENTS

Nebraska's School for the Deaf and Dumb Making Good Progress.

ECONOMY, NOT PARSIMONY.

Semi-annual Report Shows a Saving of Several Thousands and Dollars.

### All Patrons Well Satisfied.

There is a state institution at Omaha, the school for the deaf and dumb, about which little is known by the people of Nebraska. It is one of the larger institutions. There are five large brick buildings from two to three stories high, and several smaller buildings such as pumping station, barn, and storerooms. For more than twenty years this school was conducted by Superintendent J. A. Gillespie. He was generally considered a very competent instructor in the language of the deaf and dumb, but he had other failings that made it necessary for the governor to remove him and find a successor equally good as an instructor and more honest in the handling of state funds. The Legislative Investigating committee, after a very thorough and complete examination of Mr. Gillespie's records found that he was short in his accounts a little more than \$2000. Mr. Gillespie was unable to produce any evidence to the contrary and Governor Holcomb removed him, and appointed Prof. H. E. Dawes as his successor. Superintendent Dawes entered upon his duties last September. He has already demonstrated that he is the proper man for the place. The enrollment of pupils is larger than ever before and the persons