A PAPER CURRENCY.

FULL EXPLANATION OF THE POPULIST IDEA OF MONEY.

It Is Credit Legalized by the Government—An Authority Which Should Be Reserved Always For the Whole People.

It seems to me that financial intelligence has evolved itself to a point which enables us to separate the idea of money from the substance or thing by which its presence and denomination are made known to us through the sense of sight and by which we are also enabled to transmit money from one to another through the sense of touch.

The same train of thought which enables us to distinguish between a license and the document which certifies to its existence should enable us to distinguish between money and the substance by or upon which its existence is witnessed.

If thus separated in the mind, the mysticism of money begins to fade away, if it does not entirely disappear, for through such an analysis it becomes evident that money is not a physical thing, but an authority or legalized credit made cognizable and transmissible by means of a physical thing.

The authority for legalized credit, called money, is indicated by or upon the thing and is placed there not by virtue of the substance, but by virtue of the law. To hold that such an authority or credit is the thing by or upon which the authority is indicated is as absurd as to contend that the parchment and writing by which a license is indicated is the license itself. Although commonly called a license, it is merely the physical evidence that a license exists or has been granted.

Nothing is more important as a basis in the discussion of the financial problem than a full comprehension of this simple fact, and all who study the problem should endeavor to grasp it, for it is the keynote to the situation which discloses the line of demarcation between a system of exchange depending upon barter and a system of exchange depending upon credit. We have, both from choice and from necessity, a system of exchange depending upon credit, and our difficulty does not lie in the fact that we use credit, but in the fact that we use borrowed credit under conditions which render it impossible to pay it back, as we shall see later.

To exchange services or things for the gold or for the silver is as completely a concession to the crudities of barter as the swapping of jackknives, and you may study the financial problem until doomsday, but until you are able to disregard the idea of the substance you will never be able to grasp the idea of the money or legalized credit.

When man exchanges his special service or product for money, he has no use for the substance or thing upon which the money is indicated, but he has imperative use for the authority or legalized credit by which he may procure at his convenience certain other service or product of his own selection. In order that he may finally obtain an equivalent, and he is entitled to no more and no less, it is of great importance to him and to normal conditions generally that this credit should be practically constant, but if a value approximating the credit attaches itself to the substance it is evident that any natural or artificial fluctuation on the value of that one substance, however disguised, will lead to abnormal but inverse conditions in all other values and to most disastrous confusion in determining the credit upon its own merit. If, then, the money or credit is to be positive, it would appear that the substance or embodiment should be negative in value so that it cannot in any way affect the credit itself.

Now, let us assume that the people of the United States refuse to stamp or indicate the monetary authority or credit upon any more private gold as they have refused through the coinage act of 1873 to indicate the monetary authority upon any more private silver, but conclude to create their own money or credit by stamping or indicating the monetary authority upon paper which is of negative value and to issue this money in consideration of services or things which the whole people shall own instead of stamping or indicating the authority as now upon gold, which is the property of private individuals, to be issued by them in consideration of services or things which these private individuals shall own. Here we have presented the distinguishing difference in principle between the initial issue of national paper money and free coinage money. In the issue of one the law of equivalents is recognized, for full value is received by the people for each dollar issued, while in the other case the law of equivalents is disregarded, for absolutely nothing is received by the people for the authority stamped or indicated upon the private property.

Let me say here that there is no essential difference between granting the monetary authority as a free gift to individuals by indicating it upon private gold and granting this same authority as a free gift to individuals by coining it upon private silver or in granting the same authority as a free gift to banks by stamping it upon paper for their benefit, and there is no valid reason why this monetary authority, as necessary to facilitate economic exchange or distribution among the people, should first be granted as a free gift and become subject to private will or caprice when the whole people could and should have a full and complete equivalent for every dollar issued as embraced in the proposition for national paper money.

The human race has been so long under the dominating influence of the usury system that it has become a sort of second nature pervading all financial affairs, and while economists, philosophers, poets and prophets from the most remote period have noted the pernicious influence of its silent workings it has been reserved for the close of the nineteenth century to discover the utter impossibility of the conditions which it imposes upon the debtor.

It is impossible, as a final result, to pay both interest and principal in money under the operation of our monetary system, for the intricacies of innumerable transactions finally culminate in an almost universal inability to pay, and when this climatic condition appears it will be found so much of the money borrowed has been paid back in interest installments that if the principal is to be paid at all it must be paid in other things, for the use of the money did not breed money, but other things. Therefore, the demand to be paid in money becoming more and more urgent, equity for equity in these other things must be sacrificed, it being impossible for the debtor to satisfy the contract in accordance with its terms, which call for money. He then gives up his merchandise, his chattels, his home and his varied interests at a tremendous sacrifice and impoverishes himself forever in his efforts to cancel his so called obligations. * * *

I propose now to illustrate in a specific and not a general manner the equitable issue and liquidation of national paper money by presenting three broad possibilities, which really cover a vast domain in economics and which seem as absolutely certain of fruition through the operation of national paper money as the mathematical proposition that 5 times 20 make 100 is indisputable. In considering these possibilities, please observe the parallel suggested by the mathematical proposition itself, as it is of vital importance to your understanding of the problem.

First.—If it is possible under any system of taxation for a government or other organized community to collect from the people 5 per cent each year for 20 consecutive years to pay usury upon money or credit borrowed for the good of all and having thus paid all that was borrowed in interest still owe all that was borrowed in principal, then it is also possible through an understanding of national paper money for the same government to issue its own money or credit and by the same system of taxation to withdraw and cancel 5 per cent of it each year for 20 consecutive years, at the end of which time the whole issue will be manifestly liquidated. In the former case the people will be forced to pay at least twice for the thing for which the credit is borrowed, while in the latter case they pay but once for the thing for which the credit is issued.

Second.—If it is possible for a public utility or commercial trust to net through fares, tolls and charges 5 per cent upon the actual cost of its equipment each year for 20 consecutive years, it is also possible through the equitable issue, operation and liquidation of national paper money for the people to purchase or parallel any public utility or trust, and completely eliminate the credit or money issued through the same system of fares, tolls and charges at the same rate of 5 per cent per annum in the same 20 consecutive years.

The third possibility is so simple of understanding and of such great value to the people, individually and collectively, that if there were no other benefit to be derived from the establishment of national paper money the possibility of this one would justify its trial.

If it is possible for the masses populating this country, which constitute a hopeless tenantry of enormous and increasing proportions, to pay rentals upon the actual cost of their shelter places equal to 5 per cent net per annum for 20 consecutive years—that is practically what they do pay—and then not own a plank or a keyhole, it is also possible, through the issue and liquidation of national paper, for them to build or purchase comfortable homes and by paying the same number of dollars, equal to 5 per cent net upon the cost for 20 consecutive years, to eliminate the money or credit issued and own their homes free from further cost in this respect forever. The same principle could be justly applied to the payment of mortgages upon our present homes and homestead farms. Such a system would guarantee to each family the protection and independence of a home, to the everlasting honor and glory of the nation.

When financial intelligence has advanced sufficiently among the people to apply the simple calculation that 5 times 20 make 100 to the equitable creation and liquidation of money or legalized credit, they will see how in the small space of 20 years after the new plan is in full operation the people of this country, or any other enlightened or self supporting community, may be free from debts and economic distress by abandoning step by step the present system which calls upon them and their children and their children's children to pay again and again for that which should and need be paid for but once, bringing in the meantime through its absurd and stupid disregard for the law of equivalents periodical conditions of distress, desolation and discontent.

In the issue of national paper money the law of equivalents clearly prevails, for none of it would be issued except in consideration of full service or product delivered up for the good of all. No such condition attaches itself to the issue of gold, silver or bank notes under a free coinage system.

In the liquidation of national paper money the same law of equivalents is satisfied, for it is finally drawn back into the source from which it emanated in taxes and other payments which represent as nearly as possible the benefits derived by each respective individual out of that which was done for the good of all, for it must not be lost sight of that this compensating principle extends first from the public to the individual, then in various ramifications from individual to individual, and finally from the individual back to the public, when its work is done and its cycle is completed. * * *.—W. W. Clay at Omaha Currency Convention.

REPUBLICAN ROORBACKS.

They Come Tumbling From Committees and the Press.

Bartley is Still the Journal's Model Treasurer—Better Than Meserve.

As the election draws nigh, look out for roorbacks. It has been the practice of the republican party ever since it sold out to Rothschilds and the devil to fill the columns of its papers a few days before the election, when they think it is too late to disprove them, with a mass of the most scandalous lies that can be concocted. There is no doubt but that they are at work concocting them at this very moment., and they will launch them during the week before election. Look out for them. However, they are not saving up all their lies for that occasion. They are putting them out very generously even now. The Bee's Lincoln hired liar shovels out a column or so every day. One of his most silly ones was to the effect that the republicans had employed a man to feign insanity and get an entrance to the Lincoln insane asylum, where he discovered a most horrible state of affairs. The name of the man is not given, and he does not appear to have furnished any affidavits.

The State Journal is still making desperate efforts to maintain its old reputation of the biggest liar in the state. Its leading editorial of October 19th is proof of that fact. In trying to account for the reduction of the state debt under Meserve of over $700,000, it says: "Bartley called in and paid off $304,273.15 within the space of thirty-eight days, while Meserve called and paid only $396,251.84 in eighteen months." In the eyes of the Journal Bartley is still the model treasurer, and far outranks Meserve in its esteem. But what are the facts? The amount of general fund warrants paid, as shown by the books, from November 30, 1896, to January 8, 1897, was $197,464.09. Warrants issued during that time, $137,287.87. University indebtedness increased during that time $25,000.

The scheme of the Journal to deceive the voters by telling them how much Bartley paid off, without telling how much he ran in debt, is too plain a fraud to fool even an idiotic gold bug. It is to be hoped that it will keep working that scheme until after the election. If it does, every honest man left in the republican party will leave it in disgust.

Another one of the lies which the republicans rely upon and which they think is a very valuable lie, is the statement that Bartley turned over to Meserve over $800,000 of "available funds." That lie is made out of whole cloth. There is not a word of truth in it. They may succeed in fooling a few voters with it because Meserve said that the funds turned over to him amounted to that much. The "available funds" turned over to him, with which he could pay current expenses and take up outstanding warrants amounted to $313,049.69. That was all the money he had to pay the running expenses of the whole state, including the legislature, all the state asylums, the penitentiary, the salaries and everything else. The remainder of the $800,000 belonged to sacred trust funds and could not be touched to pay current expenses. It belonged to the sinking fund, the permanent school fund, temporary school fund, the university, agricultural college, normal school, hospital for the insane, state library, normal library and a dozen or so other such funds.

After giving the old lie, about the increased payment of taxes caused by McKinley prosperity, a rest for some ten days, the Journal revamped it, dressed it up in a new suit and started it out for the use of the weekly liars in the following words:

"Nebraska had been doubly cursed. We had had not only the Bryan and Wilson panic, but we had drouths. We had a fusion of calamities. But now with a fusion between Providence and republicanism the back taxes began to roll into the state treasury."

Well the back taxes did not begin to roll into the state treasury under the McKinley prosperity. They rolled the other way. The books in the auditor's office show that the taxes paid in were $59,064.46 less in 1896 and 1897 than they were in 1894 and 1895. After all that can be said on the other side, the fact remains and it is not denied that the total amount of general fund warrants drawn to pay all expenses incurred by the state that were not paid by special funds, November 30, 1894, to September 1, 1896, was $2,166,211.17

Nov. 30, 1896, to Sept. 1, 1898	1,734,616.31
Making a saving to the taxpayers in actual expenses paid by the state of	$ 431,594.86

T. H. Tibbles.

Kicking Again.

L. C. Bateman of Maine, who brought out Wharton Barker and Ignatius Donnelly on the midway populist ticket, excoriates such populists as Dixon of Missouri, Morgan of Arkansas, Parks of Texas, Palmer and Reynolds of Illinois and Parker of Kentucky for their cowardice in standing up for what they believe is right.

On the Ticket.

The supreme court has reversed the decision of the secretary of state in California in placing the midway populist ticket on the official ballot under the populist heading, and the court has ordered the recognition of the fusion ticket instead.

Need Not Apply.

The capitalists who are already on the ground floor in Uncle Sam's newly acquired possessions—Honolulu and Porto Rico—have served notice on American workmen that they need not apply. "Pauper labor is cheap and capital only is needed in the new islands.

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NOTICE TO NON-RESIDENTS.

State Bank of Monte Vista, Colorado, The George Trich Hardware Company, Lee Clark Andresen Hardware Company, E. S. Ettenneimer, Frank L. Sheldon,, Job P. Kirby, Elizabeth F. Mansfield, as executrix of the last will and testament of Henry M. Mansfield, deceased, Eliza M. Mansfield, as executrix of the last will and testament of Henry M. Mansfield, deceased, Nathaniel S. Mansfield, as executor of the last will and testament of Henry M. Mansfield, deceased, Thomas Bailey, A. B. Clark, C. S. Lippincott, Charles A. Hanna, Philadelphia Mortgage and Trust Company, Denver Hardware Company, and the Unknown Heirs of George B. Skinner, deceased, Defendants, will take notice that on the 3d day of October, 1898, First National Bank of Cadiz, Ohio, Plaintiff herein filed his petition in the district court of Lancaster county, Nebraska, against the said Defendants and others, the obejct and prayer of which is to foreclose a certain mortgage executed by George B. Skinner to C. S. Lippincott, Charles A. Hanna and A. B. Clark, on Lot eleven (11), of block five (5), of Engleside Addition to the City of Lincoln, Nebraska, according to the plat thereof on file and of record in the office of the Register of Deeds of the said county and state, to secure the payment of a promissory note dated February 6, 1892, and due and payable February 6, 1895, with interest from date at the rate of 8 per cent per annum as per coupons attached; that there is due upon said note and mortgage the sum of one thousand dollars with interest from February 6, 1896, at the rate of 8 per cent per annum.

Plaintiff prays for a decree of foreclosure of the said mortgage and that the said sum may be paid, or that the said premises may be sold to satisfy the amount found due. You are required to answer said petition on or before the 28th day of November, 1898.

Dated October 17, 1898.

FIRST NATIONAL BANK OF CADIZ, OHIO,

By Its Attorney,
FRED SHEPHERD.

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