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SOCIALIST STATEMENT

How Overproduction will Impoverish and Finally be the Ruin of the World.

SO NOW HE STOPS THE PAPER

An Increase in the Volume of Money Will Bring no Relief to the People.

Opposed to Populism.

Editor Independent:

You seem to be unaware of the following facts. 1.—That employment and production depends upon consumption, and consumption upon the per cent of products left in the hands of the masses; hence the smaller this per cent the less employment and production and the harder the times for all. 2.—That each new machine producing more with less hands, reduces per cent of the products which is received and can be consumed by those keeping employment. 3.—That the idle become non consumers as soon as their savings are exhausted and credit is gone; for whatever they consume is at the expense of others whose consuming power is reduced by as much as these paupers consume. 4.—That the introduction of machinery in one country forces its introduction in all countries. First, because the cheapest hand labor is greatly more expensive than the highest paid machine labor, and much less satisfactory. Second, because the wealthy of the hand labor countries welcome machinery as a means to enslave and rob the workers of nearly all they produce. Third, because the capitalists fighting for supremacy are forced by this fight to invest their money to develop the resources of the hand labor countries by means of machinery as fast as chances for profitable investment at home diminish. Fourth, because the manufacturers are forced to try to get orders for all kinds of machinery to develop the hand labor countries with and because the employes of machine countries always looking for cheaper labor open themselves factories and mines in those hand labor countries. As a consequence of the above facts all nations will be reduced to their home market, as soon as the natural resources of China are developed to some extent by means of machinery. Then the majority of workmen will be idle, not only in this country, but in all highly developed and densely populated countries. Such general idleness will not only cause more idleness by reason of reduced consumption, but force a reduction in the world's farm area.

Nor is this all, for the cheap machine farm products of the new world and of Australia is now slowly but surely forcing the introduction of farm machinery on the continent of Europe. This will deprive three-fourths of both farm workers and farmers of all means of support, and cause such a depopulation till the food importing countries of western Europe will have a surplus of food and raw materials. Reduced farm population must throw more millions of industrial workers into idleness and the world's farm area must again be reduced according to reduction of population until by continual increase of idleness and decrease of consumers all employment and production would have to be abandoned except to satisfy the needs of a few members of a few trusts who would own an uninhabited world, if capitalism is not overthrown by socialism.

Having lived twelve years in Nebraska and being still interested in Nebraska property, I subscribed for the paper ever since 1890, because it used to favor co-operation and sometimes even socialism, and all the time came out strongly for the socialist planks in the Omaha platform, but your unwarranted attacks on socialists and socialism impell me to notify you to stop the paper; because a paper and party opposing co-operation and defending competition, which results not in slavery but in the extermination of humanity itself, is nothing else than a stumbling block to human emancipation and happiness, all the more dangerous because it masquerades as a reform paper and party.

As to free coinage I wish to say that both gold and silver should be demonetized, that the stoppage of free coinage of silver was and is nothing but robbery and confiscation; but resumption of free coinage would at this late day be another robbery (this time by the debtor classes). You claim free coinage would bring prosperity. This is impossible because it cannot stop the steady introduction of labor displacing machinery with its deadly result under capitalism.

You claim money would come out of its hiding places and be withdrawn from banks to be invested in business and new enterprises. Business must be depressed so long as the workers receive only a small per cent of the products, a per cent which under the competitive system cannot be raised,

because of labor displacing machinery and the fierce intermination struggle for markets.

You say we want more money to do business and increase trade, and that doubling money doubles prices. But doubling money and prices cannot increase trade, for doubling prices calls for twice as much money to do the same business.

You claim farmers would consume a great deal more. This is again wrong, for taxes, interest and freight rates would rise, what the farmers have to buy would double in cost, and prices of land and rents would go up in proportion; thus preventing a much greater consumption, because nearly everyone would have to save more to purchase dearer land for himself or children. The farmers would not greatly increase their consumption but the working classes would have to decrease theirs immensely, because wages cannot be raised through the effect of labor displacing machinery and the international struggle for markets.

You say there would be a great expansion in agricultural area giving more employment. If this happens it must greatly reduce prices for farm products, while what the farmer buys would mostly remain high or not lower in proportion to his raw products. This would bankrupt nearly every farmer, and most certainly those who bought land on credit after the rise in price of farms took place, for farm prices would drop with the price of products.

The trusts are the unavoidable result of competition, for under it the market belongs to the one who sells cheapest. Cutting prices are met by cutting prices. Adulteration is met by adulteration until further cutting of prices is ruinous and more adulteration is impossible. Competition being exceedingly wasteful in money, labor and materials, because the biggest pocketbook wins, and financially dangerous, the only safety lies in co-operation for the formation of trusts, and yet your paper attacks the effect, but fights for the preservation of the cause.

Concluding, I wish to say that public ownership of railroads, telegraphs, telephones, express companies, savings banks, gas light, street car lines, waterworks, etc., cannot be of lasting benefit to the people if competition is not replaced by socialism; for as soon as the condition of the masses improves through such reforms, wages would in a few years reduce prices of farm products by expansion of farm area, in case of much cheaper rail freights. This last argument must be understood as meaning that the socialists are not anxious to get all these needed reforms, but only as proof that competition must in its nature destroy the value of every reform, and prosperity and human happiness are less and less possible under the selfish struggle for supremacy.

AUGUST STORMS.

San Diego, Cal., Dec. 7, 1898.

That readers of this paper may see what socialism is as eloquently described by one of that way of belief, the above letter is printed in full. It is one of the best statements of socialist philosophy which has fallen into the hands of this editor for a long time. The wonder of it is how a man who can write so well can fail to see the fallacy of his own reasoning. The doctrine that machinery, science and improvement is the curse of the world is no more fallacious than the idea that an attempt to introduce the common ownership of all property would bring relief. The argument is that machinery is the cause of so much over production, that the world will finally be reduced to starvation. There will be so much cloth that the people will have to go naked, so many shoes that they will have to go barefooted, so many houses that they will have to sleep in the woods or highways; the people will become so poor that they can neither buy nor consume anything. If these things were true, then the proper remedy would be to destroy the harvesters, steam and electric power, the spinning genny and the power loom, and go back to the barbaric ways of our remote ancestors. History does not tell us that the common people were better off before machinery was invented than they are now.

Take the statement that "trusts are the unavoidable result of competition." The truth is that trusts are the unavoidable result of the destruction of competition. The object in the formation of a trust is the destruction of competition. A trust and competition cannot exist at the same time. He says that the Independent fights for the preservation of the cause of trusts. On the contrary the Independent has frequently pointed out the cause of trusts and shown how they could be destroyed. A trust never has and never can endure upon a rising market. A steady rise in prices

would disorganize every trust in the United States in less than five years except those that are fostered by rebates from the railroads or are fortified behind a patent. The doctrines of populism put into force would destroy them also.

It will be seen that socialism is based upon the same theories advanced by the gold bug daily press. They both believe in over production and that an increase in the volume of money would bring no relief. Mr. Storms will find the writing in the gold bug press much more to his liking than that of the Independent.

The distress in the world is not produced by machinery, but by the absorption of the product of labor by taxation, interest and the over charges of quasi public corporations. A reduction of one-half in all of these charges could be effected by reducing the purchasing power of money one-half. That can be effected by doubling the amount of money in circulation. If the men who now get the millions paid every year by labor for interest, freight and passenger tariffs and taxation, get only half as much as they do now, the other half must of necessity remain in the hands of the producers. Every man who produced would get twice as much as he does now and the usurers and corporations would get one-half less than they do now. Such is the doctrine of populism, and Mr Storms is right in thinking that the Independent is not a socialist paper. Mr. George Howard Gibson, a gentleman of the purest Christian character, undertook to make this paper a socialist organ under the name of Wealth Makers. He bravely fought for those principles until the paper was many thousand dollars in debt and well nigh extinction. This editor then took it and made it a populist paper and the subscription was nearly quadrupled in less than a year. It has remained a populist paper ever since.

Suppose that there was no foreign trade and all our energies were devoted to the improvement of our own country? Would that be a calamity? With the machinery that we have and improvements yet to come, we could build a comfortable home for every family, enlarge our universities and colleges, beautify and adorn our cities, build auditoriums, make a piano for every home, carpets for every floor, works of art for all to enjoy and do a thousand other things. All this and more we will do when this awful drain of interest and other fixed charges are reduced to what is honest and right. It will be done, and populism will bear the bravest part in the fight that will bring it about.

Mr. Storms says that the Independent seems to be unaware of the fact that production depends upon consumption. He must have been a very careless reader of the columns of this paper. Scores of times it has been pointed out that when the price that the farmers received for their products was so low that after they had paid their fixed charges, little or nothing was left, they could not buy, and if they, being one-half of the population, could not buy, the merchants could not sell. If the merchant could not sell, the manufactory in the east would have to close and the workmen turned upon the streets. That is one of the standing propositions of the populist party.

Suppose for one day only the New York dailies would print the truth about the conditions of the inhabitants of that city. Suppose they should take a census of the starving, the homeless, the distressed. Suppose they should describe the pinching want in the thousands of homes where father and mother are still striving with heroic endeavor to keep the family together. Can any man doubt that it would result in an honest endeavor to better the conditions there existing? Where then resides the power that keeps thousands of worthy men in semi-starvation and piles up dividends of 200 per cent for the banks, trusts and corporations? It is in the plutocratic press, the great dailies and high-toned magazines.

Is there not a lesson here for those who would bring about better conditions? Stand by the papers and magazines that write on the side of reform. That is the only way we have of bringing the facts home to the people, and if they knew the facts, it would not be long before a way would be found to relieve us of starving tens of thousands on the one hand and the 200 per cent dividends on the other.

"Lucky" Baldwin to Rebuild His Hotel. SAN FRANCISCO, JAN. 18.—"Lucky" Baldwin has decided to erect an eight story fire proof building on the property occupied by the old Baldwin hotel, which was burned several months ago. The building is to cost \$2,000,000.

Senator Davis Re-Elected. ST. PAUL, JAN. 18.—The Minnesota Legislature today re-elected Cushman K. Davis United States senator. The Nationalists cast their ballots for ex-Congressman Towne.

THE SAME OLD ENEMY

The Paper Money of the Colonies was a Legal Tender for all Debts Public and Private.

NOT REDEEMABLE IN COIN

And was a Great Success in Giving Prosperity and Growth to the Colonies.

Seven Billion Coin Debt.

In 1763, by act of parliament, the colonies were forbidden to issue or circulate paper money. In February, 1774, the London board of trade passed resolutions approving the act of parliament and Dr. Benjamin Franklin, being then in London, wrote an answer to those resolutions and strongly advocating the colonial paper money system. His answer occupies fourteen pages of the second volume of Franklin's works by Jared Sparks. The whole series of books comprises ten volumes. I quote the following from Franklin's own writings, commencing on page 343, vol. 2, in defense of the colonial paper money system, as follows:

"New England, particularly, in 1696 (about the time they began the use of paper money) had in all its four provinces but one hundred and thirty churches; in 1760 they were five hundred and thirty. The number of farms and buildings there is increased in proportion to the number of people, and the goods exported to them from England in 1750, before the restraint took place, were five times as much as before they had paper money."

"Pennsylvania, before it made any paper money, was totally stripped of its gold and silver, though they had from time to time, like the neighboring colonies, agreed to take gold and silver coins at higher and higher nominal values in hopes of drawing money into, and retaining it for the internal uses of the province. During that weak practice silver got up by degrees to 8 shillings 9 pence per ounce, and English crowns were called six, seven and eight shilling pieces, long before paper money was made. But this practice of increasing the denomination was found not to answer the end. The balance of trade carried out the gold and silver as fast as it was brought in, the merchants raising the price of their goods in proportion to the increased denomination of the money. The difficulties for want of cash were accordingly very great, the chief part of the trade being carried on by the extremely inconvenient method of barter; when, in 1723 paper money was first made there, which gave new life to business, promoted greatly the settlement of new lands, whereby the province has so greatly increased in inhabitants, that the exports from hence thither is now more than tenfold what it then was; and by their trade with foreign colonies they have been able to obtain great quantities of gold and silver, to remit hither in return for the manufactures of this country."

"New York and New Jersey have also increased greatly during the same period with the use of paper money, so that it does not appear to be of the ruinous nature attributed to it by the board of trade.

"The colonies are dependent governments, and their people, having naturally great respect for the sovereign country, and being thence immoderately fond of its modes, manufactures and superfluities, cannot be restrained from purchasing them by any province law, because such a law, if made, would immediately be repealed here as prejudicial to the trade and interest of Britain. It seems hard, therefore, to draw all their real money from them and then refuse them the poor privilege of using paper instead of it. Bank bills and bankers' notes are daily used here as a medium of trade, and in large dealings, perhaps the greater part is transacted by their means, and yet they have no intrinsic value, but rest on the credit of those that issue them as paper bills in the colonies do of the respective governments there. They being payable in cash upon sight by the drawer is indeed a circumstance that cannot attend the colony bills, for the reason just above mentioned, their cash being drawn from them by the British. But the legal tender being substituted in its place is rather a greater advantage to the possessor, since he need not be at the trouble of going to a particular bank or banker to demand the money. Indeed, whenever he has occasion to lay out money in the province, a person that is obliged to take the bills. So that even out of the province the knowledge that every man within that province is obliged to take its money gives the bills a credit among its neighbors nearly equal to that they have at home."

It will be seen by the foregoing statements of Dr. Franklin, the best informed man of his age, that the colonial paper money was in general a legal tender to pay all debts in the

respective colonial provinces and was not redeemable in coin, and was a great success in giving prosperity to the colonies. The colonies found by degrees that they could not get a start in prosperity nor continue therein without this kind of paper money because they could neither get nor keep any gold or silver money to be of any avail among themselves, either to be used as money or for the redemption of paper money. But by making their paper money a legal tender to pay all debts they found that the colonial governments could circulate all that was needed of it to give great prosperity to all the people without any waiting for the coming or staying of coin. It would have been a blessed thing for this country had it never permitted any paper money to circulate at all except upon the strict terms above quoted. I wish that every reader of the Independent would bring the foregoing statements of Dr. Franklin to the notice of all his neighbors.

About two years after Dr. Franklin wrote the foregoing statements, to wit, in February, 1766, he was examined orally in the British house of commons on American colonial affairs. The examination started the reading world with his masterly knowledge of human affairs. It occupies thirty-eight pages of volume four of his works before mentioned, and from it I copy the following:

"Ques. What was the temper of America towards Great Britain before the year 1763?"

"Ans. The best in the world. They submitted willingly to the government of the crown and paid, in their courts, obedience to the acts of parliament. Numerous as the people are in the several old provinces, they cost you nothing in forts, citadels, garrisons or armies to keep them in subjection. They were governed by this country at the expense of a little pen, ink and paper; they were led by a thread. They had not only a respect, but an affection for Great Britain; for its laws, its customs and manners, and even a fondness for its fashions."

"Ques. And have they not still the same respect for parliament?"

"Ans. No, it is greatly lessened."

"Ques. To what cause is that owing?"

"Ans. To a concurrence of causes; the restraints lately laid on their trade, by which the bringing of foreign gold and silver into the colonies was prevented, the prohibition of making paper money among themselves, and then demanding a new and heavy tax by stamps, taking away at the same time trials by jury, and refusing to receive and hear their petitions."

Here are the five British wrongs only that were being practiced against the colonies at the time of Dr. Franklin's examination in February, 1766. If there had been other wrongs then he would have known them and stated them. Notwithstanding the matchless discernment by Dr. Franklin of men and things, neither he or any of his colonial contemporaries had any such chance as all Americans now have to know the real power with which the colonies had to cope and contend. This power was the few of great wealth; owners and jobbers in stocks, the one central, supreme power that then, as now, ruled parliament, the throne and the world; the British oligarchy, our old enemy. And I now call the most serious attention of all Americans to the sameness of work of this old enemy of ours from thence, the time of that examination, until now. He was perhaps somewhat discomfited by our formal independence, yet nevertheless, nothing daunted, he has all the time been pushing his work for the most part straight forward.

The first one of the five wrongs mentioned by Dr. Franklin was "restraints lately laid on their trade, by which the bringing of foreign gold and silver into the colonies was prevented." See what a marvelous success our old enemy has made of this. Although this country has long since become the chief source of the world for gold and silver, yet we have no gold or silver coin here or anywhere, except the amount bonded to be delivered out of the country, with over five and a half billion dollars more with interest thereon, nearly or quite all of it to our old enemy. And we have no gold or silver coin, nor have we any way of getting any but what our old enemy can take from us under his bonds at his will. This is our true condition in this respect, all delusions and deceptions practiced upon us to conceal the facts to the contrary notwithstanding.

The second wrong stated by Dr. Franklin in his examination was "the prohibition of making paper money among themselves." See what a success our old enemy has made of this prohibition. No paper money such as was issued and circulated in the colonies generally has ever been issued or circulated in this country from that time to this. There should be no wonder among Americans at the extreme care of our old enemy in his constant watchfulness to prohibit the least circulation of such paper money as that was. For if our money from that time, or even for the last half of the time since that examination, had all been similar to the colonial paper money, a legal tender for all debts and not redeemable in coin or anything but government dues, and if he quantity of circulation had been properly kept up, our old enemy could not have got us in debt at all to himself or to anybody else for coin or for anything else, nor could he have torn

us with bankruptcies at all as he has or devoured us with monopolies at all as he has, or oppressed and paralyzed our labor at all as he has, nor could he have gotten into the ownership of any hurtful amount of American property.

The third wrong that Dr. Franklin states in his examination is the "demanding a new and heavy tax by stamps." By reason of our independent organization our old enemy could not make headway with this wrong, but the present stamp duties are the result of his other successes above named, as they place us in the straightened financial condition that furnishes the pretext for the stamp tax.

The fourth wrong that Dr. Franklin states is "taking away trials by jury." For the reason above stated our old enemy could not make headway with this wrong as with the first two named, and doubtless had not any such motive for it as for those two, but more recently, being emboldened and strengthened by those successes, he enlarges his overshadowing of our high official functionaries to the end that he may break down the restraints of our constitution and usages and tax whom he will punish whom he will and use our government for his nefarious purposes here and the world over.

The only remedy for all these evils or for any of them is to make our money all a legal tender to pay all debts and redeemable not in coin but in public dues only, and then increase the quantity of our money circulation to any necessary extent as required by the populist platform. And in this manner great deliverance, freedom and prosperity can be attained unto.

All the leading statements of fact and doctrine contained in this letter and in my three others that have lately appeared in the Independent are proved to be true in my book Money Chart. The reader will not know but what I state this merely to sell Money Chart. But let the book be read thoroughly and if it is found that I misstate its contents, let my book and me be discredited, disgraced and consigned to oblivion.

In order that Money Chart may be sold cheap to the millions if they want it, I own the copyright and plates and publish the book. I sell it at 15 cents per copy, or if to be mailed, at 18 cents in 2-cent postage stamps, or at \$5 per hundred, purchasers paying freight from Chicago.

My other letter headed "Bulwark of Freedom," in the Independent of the date of January 12, had my signature omitted therefrom by the printer, by mistake, no doubt.

M. WARREN.

Lincoln, Neb.

POISONOUS PLANTS.

In order to supply the great demand by farmers and others for information in relation to poisonous plants, the United States department of agriculture will soon issue farmers' bulletin No. 86, entitled "Thirty Poisonous Plants of the United States." It is prepared by V. K. Chestnut, assistant botanist.

The division of botany has during the last three years been collecting general and specific information concerning poisonous plants, and has investigated a number of cases of poisoning which have been reported to the division. By communicating with the physician who has charge of each case accurate and full data were obtained with regard to many plants.

This bulletin contains descriptions of thirty, and illustrations of twenty-four of the most important poisonous plants of the United States. The poisonous character, localities where found, and symptoms of poisoning are also briefly described.

The bulletin says that owing to a lack of statistics it is impossible to form even an approximate estimate of the damage done by poisonous plants. A number of children are killed annually by the various species of water hemlock. Many cattle are also killed.

All poisonous plants are not equally injurious to all persons nor to all forms of life. The poison ivy, for instance, acts upon the skin of the majority of persons, but with varying intensity. Many people are probably wholly immune, and it has no apparent external effect upon animals.

There are a large number of poisonous plants which are comparatively little known. This bulletin considers those only which are well known to be poisonous to a dangerous degree.

This bulletin is for free distribution, and may be obtained of members of congress or by applying to the United States department of agriculture.

LEEDY'S LAST ACT.

Governor Leedy's last official act was his approval of the 15-cent telegraph bill. Lawyers say that the law is unconstitutional, because it first fixes a maximum rate and then delegates that power to the new railroad "Court of Visitation."

Governor Leedy has already signed the bill making the office of state superintendent of insurance elective in 1900. Superintendent Webb McNeill, whose term will expire on January 20 next, will be a candidate for election. He has succeeded in passing laws that will bring to the state treasury \$25,000 annually from insurance companies.

Given Place of Honor.

Rome, Jan. 17.—At a banquet given at the palace to the members of the diplomatic corps Mrs. Draper, wife of the United States ambassador, General William E. Draper, sat on the right of King Humbert.