

The Nebraska Independent.

VOL. XIV.

LINCOLN, NEBRASKA, OCT. 9, 1902.

NO. 20.

VALUE OF MONEY

It Rises and Falls—Changes in the Meaning of the Word "Price"—Gold and Silver Standards

Editor Independent: The proposition that value cannot rise or fall will bear a little more exposition.

In this country we are obliged to speak of gold as rising and falling in value. This is because we have "free" coinage of gold and a financial system, which prevents gold from rising or falling in price. In other words, gold has a legal price which cannot rise or fall without changing the law of free coinage of gold. This being so, we must speak of the rise and fall of gold in value or invent a new word, which it is not easy to do, because the economists are using the word value, when speaking of gold.

We have to say that gold falls in value, when there is a general rise of prices. But we must bear in mind that a general rise of prices, in this country, means more gold (money) for every commodity or a majority of commodities; and that this means a fall in the value of gold.

We also have to say that gold rises in value, when there is a general fall of prices, but a general fall of prices means in this country less gold (money) for every commodity or a majority of commodities, which is a rise in the value of gold.

In Mexico they have to speak of silver as rising and falling in value. This is because they have "free" coinage of silver and a financial system which prevents silver from rising or falling in price; silver there, as gold here, having a legal price, which cannot rise or fall, without changing the law of free coinage of silver.

Thus we see that in talking about money, in this country, we can use the word value as referring to a ratio of exchange between any two commodities; and that when we use it in this way we cannot say that value rises or falls, because we cannot say that a ratio of exchange rises or falls. At the same time we are obliged to speak of one single commodity (gold) as rising and falling in value. And I believe the law treats gold as value itself. The enactment that 25-10 grains of gold, nine-tenths fine, is a unit of value is almost equivalent to declaring that gold is value and that 25-10 grains is a fractional part thereof. It is impossible to see how this amount of gold can be a unit of value except for the purpose of measuring the quantity of gold which can be done by an ounce weight as well as by 25-10 grains.

We find also that we are obliged to find a meaning for our word price by studying our change laws; and that if we should change our change laws, then our word price might have a very different meaning. Suppose, for instance, that congress should open our mints to free coinage of silver dollars, then price, instead of signifying the quantity of gold for commodities, might signify the quantity of silver paid for commodities, as it does in Mexico. Shall we open our mints to free coinage of silver dollars and thereby cause gold to rise and fall in price (in silver) as it does in Mexico? This will be one of the questions to be discussed when we come to discuss the Fowler bill. I am only alluding to it now for the purpose of showing how the meaning of the word price may change in this country, if we should open our mints to free coinage of silver.

During the civil war the word price meant the quantity of greenbacks paid for commodities or services. They were our only money. They were paper promises to pay dollars (coin), which were enacted into law by the act of congress, which was limited in quantity, and by their limitation, they had value. Their value varied, partly, because we were in the midst of a war, which, if unsuccessful, would render them worthless, as the paper money of the confederate states actually became worthless. But what sustained their value, more than anything else, was the fact that only a limited amount was issued. Their value was not sustained by being made convertible into gold. On the contrary, their value depended upon their own merit as money, because they constituted our standard of value, by their quantity, they gave a price to every commodity and service. They measured value, because they indicated the ratio of exchange between all commodities and services—and how far all commodities and services went in paying debts. It was all done by giving a price to every commodity and service.

Price is always the quantity of money as money changes, and money changes as the laws creating it change. If we could have a perfect system of money, so that there would be no more changes in the system, then we would have a perfect standard of value, perfect measure of value, a perfect unit of value—and there would be no rise or fall in the value of money—and we would never have occasion to speak of money as rising or falling in value and we would have no such thing in our language as a rising of value or a falling of value.

It is necessary to come to some agreement as to the meaning of the words value and price, before attempting to make an argument against the Fowler bill, which proposes to set up a gold standard of value.

J. N. S. DE HART,
Jersey City, N. J.

MONETARY COMMISSION

Mr. Harbat Discusses the Origin of the Congressional Monetary Commission of 1897

Editor Independent: President Fenton of the Illinois bankers' association said in his address before that association in 1898: "For over twenty years the business of this country has been disturbed by a discussion of the money question, greenbackism, fiat moneyism, and finally free silverism. During all this time the commercial and banking interests have upheld the nation's credit, not by the aid of financial legislation, but in spite of it. At every recurring national election the business of the United States has been practically suspended, while theoretical financiers discussed the currency question."

"Impatient at the feeble, nervous, cowardly handling of this vital question by congress, those in material interest were ready to take the matter into their own hands. They only needed a leader. Hugh H. Hanna, a manufacturer of steam engines, a man of brains, a man of resources, and a man of leadership, one day had an inspiration. He sent out from the city of Indianapolis, Ind., a call for a conference of business men.

"In the monetary convention which followed that call, the business men saw something on which the real interests of the country could centerize. They saw a rallying point. They believed that they could do something, because they had already done some. The monetary convention was composed of 250 delegates (bankers and their representative attorneys) representing the commercial bodies of 32 states. All the political conventions held in the last twenty-five years pale into insignificance as compared with that assemblage. The history of the work of that convention is familiar to you all. It placed in your hands that admirable document, the 'report of the monetary commission,' a document worthy of the source from whence it came.

"If any evidence is needed to show that this is a meritorious measure, we have it in the fact that within the last week the advocates of free silver have stopped the cry of '16 to 1,' and have begun a war on this bill. This is due to a committee appointed at that convention, the executive committee headed by Mr. Hanna, has been unremitting in its work. We are indebted to them for the currency reform bill which was reported favorably by the banking and currency committee of the lower house."

He closed by saying: "My friends, under this happy condition of affairs, let us not be lulled into unconsciousness, let us not forget that in the days of Troy, while the people slept, the enemy fell upon the city."—Northwestern Banker, November, 1898.

The bill referred to was the McCleary banking bill; this and the Walker bill both died in the house. After these bills came the Atlantic currency bill, which passed the house December 18, 1899, went to the senate and was reported to the senate by substituting the Aldrich bill in its place on December 19, 1899, which passed the senate and went to the conference, known as the gold standard bill of March 14, 1900, to more fully establish the gold standard.

In the last congress the house passed the Hill parity bill, to redeem standard silver dollars and then coin them into subsidiary coins. Also the banking and currency committee reported favorably the Fowler bill, authorizing branch banking and asset currency; it also proposed the redemption of silver dollars in gold coin.

These things the people should remember and not be lulled into sleep while the bankers are telling us free silver is dead—the money question settled—"let well enough alone"—all our money is good, etc. while they have their lobbyists at Washington to get such legislation as they want, which, if passed, will put the people and government into the hands of the money power as the English people and government are in the hands of the managers of the Bank of England.

L. E. HURLBUT,
Fort Dodge, Ia.

About the most futile thing ever recommended by a president is President Roosevelt's suggestion of a permanent tariff commission. Congress would pay about as much attention to it as it has to the interstate commerce commission.

Tom Platt's convention said in its platform: "The integrity of the protective principle must be preserved. The principle is required to maintain the highest scale of American wages and the supremacy of the American workshop." The way it maintains the highest scale of wages is shown by the tariff on anthracite coal and the wages

PLUTOCRAT AND WORKMAN

One Wants Federal Troops to Shoot Down Workmen and the Other Asks for Arbitration

George F. Baer, president Philadelphia and Reading Coal and Iron company, and Lehigh and Wilkes-Barre Coal and Iron company, and Temple Iron company. To the President of the United States: We understand your anxiety as forcibly expressed in the statement you read to us this morning to bring about "an immediate resumption of operations in the coal mines in some such way as will without a day's unnecessary delay meet the crying need of the people." We infer that you desired us to consider the offer of Mr. Mitchell verbally made this morning, expressing and speaking for the united mine workers, to go back to work if you would appoint a commission to determine the questions at issue.

You distinctly say that you "do not intend a discussion of your respective claims and positions." But we assume that a statement of what is going on in the coal regions will not be irrelevant. We represent the owners of coal mines in Pennsylvania. There are from 15,000 to 20,000 men at work mining and preparing coal.

They are abused, assaulted, injured and maltreated by the united mine workers. They are only work under the protection of armed guards. Thousands of other workmen are deterred from working by the intimidation, violence and crimes inaugurated by the united mine workers, over whom John Mitchell, whom you invited to meet you, is chief.

I need not picture the daily crimes committed by the members of this organization. The "domestic tranquility" which every constitution declares is the chief object of government does not exist in the coal regions. There is a terrible reign of lawlessness and crime there. Only the lives and property of the miners of the secret oath-bound order, which declared that the locals should "have full power to suspend operations at any coal mine, and the non-union men joined their order, are safe. Every effort is made to prevent the mining of coal, and when mined Mitchell's men dynamite bridges and tracks, mob trainmen and by all manner of violence try to prevent its shipment to relieve the public.

The constitution of Pennsylvania guarantees protection to life and property. In express terms it declares the right of acquiring, possessing and defending property "to be inalienable." When riot and anarchy so great to be appeased by the civil power occur the governor of Pennsylvania is bound to call out the state troops to suppress it. He must fearlessly use the whole power of the state to protect life and property and to establish peace—not an armed truce, but the peace of the law, which protects every man at work and going to and from work.

He has sent troops to the coal regions. Gradually the power of the law is asserting itself. Unless encouraged by false hopes, order will soon be restored, and then we can mine coal to meet the public wants. If the power of Pennsylvania is insufficient to re-establish the reign of law, the constitution of the United States requires the president, when requested by the legislature and the governor, "to suppress domestic violence." You see, there is a lawful way to secure coal for the public.

The duty of the hour is not to waste time negotiating with the fomenters of this anarchy and insolent defiance of law, but to do as was done in the war of the rebellion, restore the majesty of law, the only guardian of a free people, and to re-establish order and peace at any cost.

The government is a contemptible failure if it can only protect the lives and property and secure the comfort of the people by compromising with the violators of law and the instigators of violence and crime.

Just now it is more important to teach ignorant men, dwelling among us, misled and used as tools by citizens of other states, that the cost of a lawless and lawless government will use the whole power of government to protect not only the man who wants to work, but his wife and children while he is at work, and to punish every man who by instigation or by overt acts attempts to deprive any man of his liberty to work.

Under these conditions we decline to accept Mr. Mitchell's considerate offer to let our men work on terms he chooses. He has no right to compel the Illinois to dictate terms, on the acceptance of which anarchy and crime shall cease in Pennsylvania. He must stop his people from killing, maiming and abusing Pennsylvania citizens and from destroying property. He must stop it because it is unlawful and not because of any bargain with us.

We will add to our offer "to continue the wages existing at the time of the strike and to take up at each colliery and adjust any grievance." This condition—if the employers and employees at any particular colliery cannot reach a satisfactory adjustment of any alleged grievances, it shall be referred to the judges of the court of common pleas of the district in which the colliery is situated for final determination.

John Mitchell (president United Mine Workers of America) John Fahey Thomas Duffy and D. D. Nichols (district presidents United Mine Workers of America)—Mr. President: At the conference this morning we, the accredited representatives of the anthracite coal mine workers, were much impressed with the views you expressed and the dangers to the wel-

fare of the coal strike that you so clearly pointed out. Conscious of the responsibility resting upon us, conscious of our duty to society, conscious of our obligations to the 150,000 mine workers whom we have the honor to represent, we have, after most careful consideration and with the availing of the situation, availing of the suffering and hardship which would inevitably follow in the wake of a coal famine, decided to propose a resumption of coal mining upon the lines hereinafter suggested.

Before doing so, Mr. President, we desire to say that we are not prompted to suggest this course because of any doubts of the justice of our claims.

In deferring to your wishes we are prompted by no fear on our part of our ability to continue the contest to a successful issue, thanks to the generous assistance rendered us by our fellow workers in this and other lands; thanks to a justice-loving American public whose sympathies are always on the side of right, we are able to continue the struggle indefinitely.

But, confident of our ability to demonstrate to any impartial tribunal the equity of our demands for higher wages and improved environment, we propose that the issues culminating in this strike shall be referred to you and a tribunal of your selection, and agree to accept your award upon all or any of the questions involved.

If you will accept this responsibility and the representatives of the coal operators will signify their willingness to have your decision incorporated in an agreement, for not less than one year or more than five years, as may be mutually determined, between themselves and the anthracite coal mine workers, and will pay the scale of wages which you and the tribunal appointed by you shall award, we will immediately call a convention and re-assume the responsibility of government on the understanding that the wages which shall be paid are to go in effect from the day upon which work is resumed.

"WORDS AND DEEDS"

Francis Keyes Comments on the "Fatal Remedy" of Tariff Revision to Cure Trust Evils

Editor Independent: The "loss and gain account" of money, always! The account of "right and wrong" or of "justice done, never"—by an imperial regime. We have that spirit with us today. The loss and gain account seems to be "the omnipotent" with the plutocratic potentates of this country. This sort of thing is brought sharply to our notice in this "cajolery campaign" put up by the administration for "vote soliciting"—by words, which—the president has told us—are nothing if not backed up by deeds. His trained band of "cabinet stumblers" has been at work in proclaiming tariff revision "a fatal remedy for trust evils." Fatal! fatal!—the word sounds portentous—and seems a good word to "juggle" with—so it is at once echoed up and down the line far and near through the rank and file. Another "fifty-cent dollar"—or worse—looms up and the "scare" is complete. This phantom bogie raised by the right of the gold bugs is enough to stampede all the shabby old mullet heads (a detestable cognomen, by the way, but righteous in its application because no other is so fit!) and gullible protectionists into a run for the republican fold. It is the same old trick which has been played in different guises upon unthinking voters and mule-headed floaters thousands of times, and it still does the work first rate on a people who take humbug naturally, and learn nothing by being it. These are the fellows who, as The Independent often says, "vote 'er straight!"

The sober fact is, no one has claimed tariff revision to be a "cure-all" for trust and monopoly evils. Nevertheless, "it is a fatal remedy!" cry these cabinet stumblers as a catch phrase to befool the people into believing in the reality of their bugaboo. The cry is made in truth, and in purpose, for there is every reason for believing that a wise tariff revision in the interests of fairness and equitable justice for all, so far as can be gauged, is absolutely demanded—as a boon to any business of naturally healthy growth standing on its own feet. Some may have thought, and in this sense be in accord with President Roosevelt, as to its being a "fatal remedy" in that it might "sure death to rats"—and who will say there is no wisdom in the thought?

The orthodox creed of a plutocrat ring-master seems to be that to stop the money grabbers of the trusts—though morally the right move—as a "Christian proposition," as a plutocratic proposition—where the morality of the thing don't count—with them it is bad policy and worse politics. To stop them would be, in this view, a "fatal remedy," for it would, no doubt, send the money grabbers to the worst hell of their fears—that of money losing. While on the other hand, to "fool some of the people all of the time," while the money grabbers secretly keep grabbing, more strongly entrenched than ever in that best heaven of their love—that of money-getting. And further we may say that in the fact of the president not stopping them, rests his surety that he will have little difficulty in keeping the dear fellows with their barrels in line to win his "San Juan" for him in 1904.

No. 14 No. Main st., Longmeadow, Mass.

It is worth your time to read the advertisement of Fred Schmidt & Bro. Send them a trial order by mail. Mention The Independent and we will

A NEW PLAN TO ROB

A Plot Concocted by the National Bankers—Senator Teller on the New Nick Biddle Scheme

All the news from Washington is to the effect that the money power intends to make great changes in the present financial policy of the government. The Fowler bill is to be the basis and it is in such shape that action can be taken the moment that congress meets. The plan as far as outlined is to turn over to the banks without interest on the public treasury collateral all the surplus in the public treasury. It has been claimed that the secretary of the treasury has the right to do that now, that the proposition has been submitted to him and that he has it under consideration. The plan involves the abolishment of the present sub-treasury and the adoption of the old Nicholas Biddle United States bank deposits, which was overthrown by Jackson. The other day Senator Teller was interviewed upon this subject and spoke as follows:

"The new secretary of the treasury, Mr. Shaw, would like to abolish the entire sub-treasury system, substitute the national banks as depositories of the public funds in their stead, and have sole discretionary power vested in the secretary of the treasury to determine the kind of securities to be accepted in some form that I have known about for some time.

"But before such a move can be made it will be necessary to pass a law abolishing the sub-treasuries and laws creating the national banks depositories instead; also laws would have to be passed defining the powers of the secretary of the treasury in the matter of receiving no interest on the deposits. Therefore, it has become quite an object for the banks to hold government funds inasmuch as they pay no interest on the funds so held, but draw interest on their bonds.

"The policy of the administration now is to turn over the entire money system of the country to the national banks. That means the ultimate retirement of the greenback, and of the silver certificate, and of the silver dollar. The first step in the retirement of the silver certificate and of the silver dollar has already been made. It is in the shape of a bill now pending in the house of representatives for the redemption of the silver dollar in gold.

"When that is secured a demand will be made for the sale of the silver dollar at its valuation in bullion, because it is not primary money, but only secondary money, and it can be logically said that a paper dollar, redeemable in gold, is just as good as a silver dollar. Therefore, it will be said that the silver dollar may appropriately be sold, and the receipts therefor covered into the treasury, and the national banks allowed to issue an amount equal to the silver dollars destroyed, because such issue of bank notes will be just as good as silver dollars, both being redeemable in gold. At the present time national bank notes are redeemable either in gold or in legal tender notes, called greenbacks; but the greenbacks are redeemable in gold, thus, in fact, all national bank notes will become exchangeable in gold if the holders so desire. Therefore, it will again be said that it is useless to keep \$200,000,000 of value locked up in silver, which might be sold and the money put into the treasury.

"When all this is done, the national banks will not only have become the depositories of the government moneys, but they will be allowed to issue all the money that is in circulation except gold.

"The present secretary of the treasury has called upon the banks recently to increase their paper circulation, on the ground that there is a shortage of currency in the country. His call was for \$16,000,000, to meet what he declared was the present want. I do not know what proportion of that amount has been issued by the banks, but I understand that a considerable part of it has already been put into circulation.

"Do you favor the policy outlined above?"

"I do not. I am opposed to it. It will be bad for the country."

"If there is so much money lying idle in the sub-treasuries, would it not be better to have it in circulation rather than eating its head off in interest?"

"Undoubtedly. But why should there be \$115,000,000 in the sub-treasuries? It should not be there, and no government with capable and efficient administration would collect such a surplus. Here we are at the beginning almost of a fiscal year, with nearly all appropriations paid, and yet these millions of the people's money on hand. Undoubtedly this money ought to be in circulation, but it should not be put in circulation through the national banks; it should never have been withdrawn from circulation in the first place. To withdraw it from the people

government expenses, and then to return it through the national banks to its real owners, at a high rate of interest, does not seem just and fair. The thing to do is to lessen the tax levy and leave the surplus in the hands of its owners, who then can use it without being compelled to pay interest to strangers for the use of their own.

"Again, I have known of heads of departments at Washington urging the various appropriations committees to make greater allowances than were either needed or warranted, on the sole ground that 'the money is in the treasury, and it would do more good in circulation than in idleness.' So you see such a large surplus is more than apt to foster a spirit of extravagance in the departments. I certainly agree that these millions are better in the hands of the people than in the treasury vaults, but I do not fancy the runabout methods in vogue for getting them back where they belong. Better leave them there at first."

THE REPUBLICAN SCHISM

Sentiments and Expressions of the Revision and Anti-Revision Leaders

The democratic congressional committee has made a valuable compilation of the utterances of republican leaders on the question of tariff revision. Speaker Henderson's withdrawal from the congressional race has attracted general attention to the republican schism on this question.

For the revision side of the question we quote:

"Shall we continue a tariff on articles that yield no revenues, need no protection, and are articles of export. How can such a policy be defended? It simply inures to the benefit of those who secure control of any such commodity since by its aid they can fix exorbitant prices in the domestic market."—Congressman Babcock.

"There seems to be but one way to deal with the trusts, and that involves adjustments of the tariff on the products of the trusts."—Secretary of War Root.

"We favor any modification of the tariff schedules as will prevent their affording shelter to monopoly."—Iowa Republican Platform.

"It must be confessed that in many instances protection has been made wholly superfluous so far as the interests of industry are concerned, and oppressive so far as the people are concerned."—Baltimore American (republican).

"The people who cast the votes have the power to enforce the order that they be protected against foreign business rivals, whom they are already underselling in the foreign market. And every proof of the misapplication of the high tariff system, such as Mr. Schwab furnishes, will induce the voters to exercise their authority at the polls."—Ex-Postmaster General Wanamaker.

"We favor such revision of the tariff as will place upon the free list every article and product controlled by any monopoly."—Idaho Republican Platform.

"I tell you, if republicans do not take the matter in hand and adjust our tariff to prevent inequalities and abuses, we shall not have the opportunity."—Mr. Foss, the republican candidate for congress in the Eleventh Massachusetts district.

"There seems to be one way to deal with the trusts honestly, and that involves the adjustment of the tariff on the products of the trusts."—Secretary Root.

The anti-revisionists say:

"I have never advocated putting trust goods on the free list, nor do I know any republican who has. We have always antagonized this proposition, which is of democratic origin."—Chairman Babcock.

"Tariff revision is neither a logical nor expedient way to get at the trusts."—Congressman Littlefield.

"I cannot acquiesce in administering the poison to cure the trust evil."—Speaker Henderson.

"The effort of the democrats to make an issue out of the allegation that the manufacturers are selling goods cheaper abroad than at home will fall flat."—Chairman Babcock.

"It would be suicidal to revise the tariff."—Congressman Hopkins.

"There will be no revision of the tariff."—Authorized statement given to the press by the president after the conference at Oyster Bay.

"The republicans will not revise the tariff during the coming session nor in the next succeeding congress."—Representative Cannon, chairman of the appropriation committee of the house of representatives.

"The real evils connected with the trusts cannot be remedied by any change in the tariff."—President Roosevelt in his recent speech at Cincinnati.

On this question Mr. Babcock enjoys the distinction of being on both sides of the question, and the country is treated to the spectacle of Congressman Babcock holding joint discussions with Chairman Babcock.

President Baer does not like the idea of having a citizen of the state of Illinois (Mr. Mitchell) interfere with Pennsylvania business. Let's see. Do the people of the United States like the idea of being frozen to death by an infant industry fostered by the small state of New Jersey?

The schools, public works and courts have all suspended in Guam. The item providing an appropriation for the government of the island was struck out of the bill at the last moment. That is a specimen of imperialism in attempting to legislate for a people without representation and who live

ANOTHER SURRENDER

Mr. Quinby Characterizes the Fowler Bill as a "Further Surrender of Sovereignty"

Editor Independent: Hon. Charles N. Fowler, chairman of the committee on banking and currency, and the reputed author of the Fowler bill, in his speech in congress during the last session, as reported in the Congressional Record for July 30, of the present year, quotes extensively from the records of the financial legislation of the civil war period. It is difficult to see just what was his intention in quoting the speeches of the statesmen of that day in opposition to the Lincoln greenbacks. Though these speeches in opposition to the passage of the bill for the introduction of paper money into our financial system were made by men who since then rose to eminence in the nation, it is nevertheless a fact that every prediction they made as to the evil effects of the greenbacks, were disproved by subsequent history. Many of the opponents of the measure afterwards became warm supporters of the Lincoln greenback, going even so far as to say that the financial policy of the Lincoln administration regarding paper money did more to suppress the rebellion than any other thing except the soldiers in the field.

Let us consider briefly just what was done that period to make the rebellion broke out the banking ring, for the purpose of speculating upon the distress of the government conferred all the gold and silver coin of the day. It became necessary for the government to secure funds to carry on the war. These soulless sharks demanded not only usurious interest on loans, but attempted to force government securities to a discount, and finally succeeded. To supply money, the government first printed in all \$60,000,000 of demand notes which were a full legal tender for all debts. These notes, even though the perpetuity of the government was in jeopardy, circulated the same as gold and silver, and received the hearty support of the patriotic people of the country. Then came the onslaught of the banks. At the next attempt of the government to issue more of these notes, the banks secured the infamous exception clause, to-wit, that these United States notes should not be legal tender for duties on imports and interest on the public debt, and further that the first issue of demand notes should be redeemed and destroyed. This established a demand for the metallic money. These banks had hoarded which forced to a premium another way of saying that they forced government securities and government money to a discount.

"The government in its trials went on its knees to the banking ring, but drafted the citizen. It paid homage to the dollar, but men it made food for the cannon's mouth.

The financial history of the rebellion period is enough to make the blood of every patriot boil with indignation. Lincoln was blameless, for, as he said at the time, he "could not fight the enemy in the front and in the rear at the same time." He reserved his best ammunition for the financial cut-throats in the rear, after he should have quelled the armies of resistance in the front. He was prevented from using it. All these banks had hoarded which forced to a premium another way of saying that they forced government securities and government money to a discount.

But the Fowler bill revives in their worst possible form the most infamous feature of the financial infamies of the past. It is nothing short of a transfer by the government of a considerable portion of its sovereignty to a financial ring. For the power of issuing money is the one function of government that is at least second only, if not equal to, the power of taxation. By means of a protective tariff the government has practically surrendered its taxing power to the trusts of the nation. Shall it now surrender absolutely the money issuing function? Let a patriotic people answer.

Judge Joel Tiffany, in his work on "Government and Constitutional Law," says: "It (the function of issuing money) should be exercised by no power that is not sovereign and not co-extensive with the United States. It could be exercised by no other than the government of the United States." And again: "The power of coining money is uniformly exercised by the sovereign authority, for the purpose of supplying a uniform currency to the home market."

These fundamental truths are unassailable. In fact, the Fowler bill itself recognizes their soundness, for it provides, as all other financial infamies have provided, that the government shall be the real responsible power to give the bank notes issued under this act, their valid standing before the people. In other words, it is government credit after all which the financial ring desires to bank upon. To the public this credit they denounce, but in business they seek to profit by it. If government credit is good enough for private profit, it is good enough to back the currency of the country without the intervention of the banking ring.

To be specific: The Fowler bill provides that every form of currency in the country shall be based upon gold. The greenbacks are to be redeemed and destroyed (\$346,000,000 of the people's money, representing that much wealth of the people of the United States, burned); in place of these a bank circulation is to be established nominally based upon the assets of the bank, but really based upon government credit. The bank is to issue these notes within the period of five years in a sum equal to 60 per cent of its paid up capital; after six years