

## THE FOWLER CURRENCY BILL

During the recent campaign republican organs and orators persistently denied that there was any serious intention of passing the Fowler bill. In spite of the fact that the Fowler bill was reported in the first session of the present congress by the republican majority of the house committee, republican newspapers and in some instances republican congressmen who were candidates for re-election, assured the people that the Fowler bill was dead beyond all hope of resurrection, and that democrats who referred to that measure were merely employing it as a scarecrow.

Today the Fowler bill is before congress and it is being pushed with such vigor that it is impossible for republican leaders to longer deceive the people. It is true that there is a difference between the Fowler bill as reported at the last session and the Fowler bill that is now being pushed in the present session. The change in the details of the measure does not imply any surrender on the part of the money trust. The change has been made in response to the protest on the part of republican members that they dare not enact a law containing all the ill-advised provisions contained in the old Fowler bill. The money trust, while not making any surrender as to any of the so-called "reforms" which they hope to bring about, have yielded to the protests of the republican congressmen to the extent that they are willing to demand at this time the adoption of one of the iniquitous features of the Fowler bill, holding other features in abeyance.

The old Fowler bill authorized the establishment of branch banks and provided also for the retirement of the greenbacks, together with other provisions contemplated by the policy adopted by the so-called Indianapolis monetary conference. Republican congressmen pointed out to the backers of this measure that the time was not yet ripe for the retirement of the greenbacks; the people were somewhat partial to the greenbacks and it would not be "good politics" to insist upon their retirement at this time. With respect to the branch bank feature, the smaller bankers throughout the country made such a vigorous protest against this plan that Mr. Fowler and his associates thought it inadvisable to undertake at this moment to push through a measure providing for the branch banks. But one of the most important, if not the most important, features of the old Fowler bill relates to asset currency, and the so-called new Fowler bill as it was reported to the house by the republican majority of the committee on banking and currency on January 13, 1903, provides for the asset currency. This bill is known as House Roll No. 16228. Its title is, "A bill providing for the issue and circulation of national bank notes." The bill is printed in full in another column of this issue.

In the report accompanying the recommendation of the Fowler bill, the republican committee says: "The time has come when every one realizes that United States government bonds will no longer furnish a sufficient basis for an adequate supply of currency, even though that form of currency were profitable, which it is not. Indeed, were it not for the policy of force applied by the secretary of the treasury, the banks would now be retiring their circulation, because unprofitable, at the rate of \$3,000,000 per month, the maximum allowed by law, and this, too, in the face of a constantly increasing demand for more bank notes." Although a national bank having invested in United States bonds may deposit those bonds with the government and may, by reason of that deposit, issue bank notes to the full amount of the face value of those bonds, that bank will be permitted to draw from the government interest on

the bonds thus deposited and at the same time will have the use of the money in the shape of national bank notes to an amount equal to the face value of those bonds which it may loan to the people and obtain interest or in other ways derive profits. And yet this form of currency, according to Mr. Fowler and his associates, is not profitable. These people are not satisfied with the already generous advantages given them under the national banking law. They want privileges and advantages that cannot, in reason, be defended and that are without precedent even in the record of the greedy demands made by their predecessors in the financial world during the history of this government.

In conclusion this republican committee recommending the adoption by the United States of the asset currency plan, says: "First, that there is an exigent demand for some provision to relieve the present situation if our unparalleled prosperity is not itself to prove the source of a commercial crisis. Second, that neither silver nor gold nor United States bonds, much less any other kind of bonds, can be a proper source of a safe, economical, and elastic currency. Third, that in the six billions of liquidated assets of our national banks there is an incomparable security many times over for the credit notes that our trade demands; and that no currency can be truly elastic that does not spring into being at the bidding of business, and as certainly disappears when that business is finished."

It is interesting to be told that there is some danger under a republican administration that "unparalleled prosperity" may in itself prove the source of commercial crisis. It is interesting to be told, by the representatives of a party that claims to represent "sound money" and that insisted that the single gold standard would provide the solution of all our financial problems, "that neither silver nor gold nor United States bonds, much less any other kind of bonds, can be a proper source of a safe, economical, and elastic currency."

In the opinion of this committee "no currency can be truly elastic that does not spring into being at the bidding of business, and as certainly disappears when that business is finished." In other words, although this republican committee was not frank enough to admit it, in the opinion of these financiers, no currency will be satisfactory, no financial system will be complete, unless they are so arranged that the money trust can, by the mere pushing of a button, make money scarce, and therefore dear, or when the so-called elasticity shall better suit their purpose, are enabled to make money plentiful during a period to be designated according to their selfish interests.

It would be well if the American people could have made a note of the statements made by republican orators and republican newspapers during the presidential campaign of 1896. Then these republicans inveighed against anything in the form of "wild-cat money." Then they wanted a financial system based upon a "solid and substantial foundation." They then would be content with nothing but gold as a proper source of a safe currency; and yet today they tell us "that neither silver nor gold nor United States bonds, much less any other kind of bonds, can be a proper source of a safe, economical, and elastic currency." This, then, is "sound money." This is the "preservation of national honor and international credit!" This is the "reasonable, intelligent financial system based upon the experience of years;" a system that "makes for the permanent prosperity of the people;" a system that gives

"high promise to business interests;" and for this system the republican party assumes the role of prophet!

### A "Party" in Court.

An Ohio reader of The Commoner sends in a circular letter issued by Caleb Powers, ex-secretary of state for Kentucky, appealing for funds to assist him in his defense. It seems to be a letter directed to the postmasters throughout the country, as it is typewritten, addressed "To the Postmaster," and then the name of the town to which this letter was sent is added in ink on a dotted line. We have no means of knowing how many postmasters have been appealed to, but as this is sent to a postmaster in Ohio it is probable that the appeal has been quite general.

In the letter Mr. Powers speaks as a representative of the republican party. He says that the party "should not ask him to make the fight alone," and insists that he is making it in "the party's defense" as well as in his own. He wants the money to help him in "maintaining the integrity of our party."

In order to make the appeal more effective he says "the effect on the republican party in the state if I should be driven to surrender this fight would be disastrous." It is a pathetic appeal and all who are anxious to secure the acquittal of the republican party through the acquittal of the accused should hasten to contribute.

How complacently many of the republican papers have taken the assassination of Governor Goebel. How little interest many of these papers have felt in the prosecution of the guilty party. If a republican official had been killed by democratic politicians the country would have rung with denunciations of the assassins and every democrat would have been accused of belonging to a party of law-breakers. But it is different when a democratic governor dies at the hands of republican partisans. No democrat thinks of accusing republicans generally because a few republican politicians resorted to murder, but the republicans ought to resent the attempt of one of the accused to make it appear that the republican party is on trial.

### The People's Rule.

Hon. George Fred Williams of Massachusetts has recently given out a statement to the effect that he proposes to begin the organization of clubs to be known as "The People's Rule Clubs." The purpose of those joining these clubs will be to bring the government nearer to the people and to make it responsive to their will. The three articles of faith to which the members will subscribe are:

First—Direct legislation, or the right of the people at the polls to vote laws or veto legislation.

Second—The ownership by the people of all public utilities.

Third—To restrict the power of judges to take away the liberty of the citizen without trial by jury.

He explains that it is not the purpose of the members of these clubs to form a new political party, but rather to form an organization among the members of the various parties to the end that the members of each party may bring their party to the support of these principles.

The clubs will distribute literature, hold meetings, etc. Further information can be secured from Edwin Stanley McFarland, 209 Washington street, Boston.

The plan is an excellent one, and does not interfere with the purely partisan clubs. The partisan club is intended to associate together men who work through the party to accomplish what they desire. The club proposed by Mr. Williams will include men of all parties who agree upon the political principles upon which the club is built.

The People's Rule Clubs ought to exert a tremendous influence in advancing the reforms which have been espoused by the club.