nation which your system makes between the banker and the rest of the people, and you are asked to explain why the administration should always yearn for the financier and yet be indifferent to the manner in which the financier treats his customer.

Sixth—Have you ever read Jefferson's opinion of a bank currency? He declared that banks of issue were more dangerous than standing armies. He pointed out that their power to contract and expand the currency enabled them to increase or decrease prices at will. When you know the speculative tendency of the day—and the embezzlements which appear after every marked fall in stocks always reveals this—how can you doubt that this power to change the volume of currency and thus affect prices will be seized upon by those who stand at the head of the banking interests? If you say that the law can reduce to narrow limits the power of the banks to expand or contract the currency, does that not destroy the flexibility that those prate about who want a rubber currency? How can you have flexibility without vesting somewhere the power to contract and expand? Is it not dangerous to vest this power in the banks, and allow them to use it for their own profit? And if authority is given to the secretary of the treasury to control them, can you explain why it is safer to allow this official to control the volume of bank currency than it would be to control the volume of greenbacks?

Metallic money is a flexible currency. The amount can be increased by coinage or import and it can be decreased by melting or export. The paper portion of the currency must be either fixed in amount or flexible. If it is flexible there must be a power somewhere which will determine the conditions upon which it can be expanded or contracted. If in your next report you advocate a flexible paper currency would it be out of place to ask you to give your reasons for trusting this almost omnipotent power to those frail and human members of society who engage in the banking business and who are as constantly tempted to look after their own interests, as those engaged in any other business?

Seventh—In what respect would an asset currency, such as you have advocated, be superior to an emergency currency issued by the government to any one who would present a government bond and indicate a willingness to forego the interest on the bond while the currency was outstanding? In this way the government would loan upon its own obligations to any one who had a government obligation; it would save interest upon the bond while the currency was outstanding, and the man who drew the currency would be interested in returning it when the stress was over. Such a plan would give relief to the public directly without the intervention of bankers. It is true that business men might be tempted to put their accumulations in bonds which could be thus utilized when needed instead of in the banks, but unless the government is being run in the interest of the bankers this ought to be no objection to the plan. Greenbacks thus issued would be a legal tender, would not increase the obligations of banks, and would not shake credit.

When the debt is paid off the government can still issue an emergency currency if desired.

If the asset currency is safer and better for the people, you are the proper one to point it out.

The case may be stated in a few words. There is a grave suspicion that the asset currency, now called an emergency currency, is merely the forerunner of a permanent asset currency, and this suspicion is increased by the fact that you in your last report announced that the time had come when the people had to decide whether they would have a permanent national debt as a basis for bank notes, or provide some other basis. The advocates of a bank currency recognize that it would be difficult to defend a permanent national debt upon which the people would pay interest merely to give the banks a chance to issue notes upon which they (the banks) would draw interest.

Is not this emergency currency the "nose of the camel?" Or, if that illustration has a foreign flavor, is it not the edge of the wedge? Is it not intended to establish the principles of an asset currency upon which the banks can expand later?

If you believe in the right of the people to self-government, will you not admit that they have a right to know the purpose of the asset currency bill? If you believe in the capacity of the people for self-government, do you not believe that they are capable of considering and deciding this question after a fair understanding of all the matters connected with it? If such a currency is wise, how is it and why is it that no republican convention outlines a plan or specifically indorses the principle? And in this connection it may not be out of place to ask why it is that the republican party has not for the last twenty-five years stated specifically in advance of an election the financial policy which the leaders of the republican party intended to pursue after the election?

If you, Mr. Secretary, will answer the questions above submitted either in a speech—and I read your many speeches with pleasure—or in an interview—and you are frequently interviewed—or in a government report—The Commoner will be glad to publish your answer and to give it the consideration which, because of your official position, your utterances deserve.

THE COMMONER.

Selfishness Admitted.

Those who are in favor of turning the currency of the country over to national banks assume, as a rule, that the banks will exercise in a patriotic way the authority conferred upon them. Occasionally a republican paper is candid enough to admit that the banker acts purely from selfish motives, and such an admission is worth reproducing for the benefit of those who may ignorantly hold a different opinion.

The Lincoln (Neb.) Daily Star is one of the most candid of republican papers, and in a recent issue it had the following in regard to banks:

> "But a man who engages in banking, the same as those who engage in farming, merchandizing, manufacturing, etc., does so for the purpose of making money for himself. That is why he puts up United States bonds as security for circulation—because he expects to make a profit on the bank notes. When he can make a distinctly greater profit by recovering the bonds and selling them he will ordinarily do it. If a farmer could secure from the government circulating notes on the security of warehouse receipts for his stored grain, and if the price of grain should subsequently rise so that he could make much greater profit by recovering his warehouse receipts and selling the grain, he would certainly do it. That is to say, he would do just what the banker is doing—all within his legal rights.
>
> "It is a simple plain matter of business. There is not a particle of sentiment in it. The Banker and the farmer act on the same general considerations of interest and upon the same conditions of human nature."

The Star is correct, in saying that "is a simple, plain matter of business," but if the banker is going to exercise the power for his own advantage, why give him a power that can be used against farmers and merchants, and people in other occupations? If he is going to sell his bonds, and withdraw circulation every time he can make a profit by selling the bonds, will not the currency fluctuate in such a way as to jeopardize the interests of the public? Must the security of the people be endangered whenever the bank has a chance to speculate and make more that way than in ordinary banking? If the public generally understood that the banker is as selfish as other people, and that he will use for his own advantage power put into his hands, there would be few outside of the bankers' association who would be in favor of turning the financial system of the United States over to the financiers.

Law-Made Value.

In an editorial recently printed in The Commoner and entitled, "The Monetary Peril," it was said that: "The monometallist overlooks the fact that what is at once intrinsic value is in part the metal value created by law-made demand. The monetary use of gold is its principal use and if this use were withdrawn, the market price would necessarily fall."

An El Paso, Tex., reader of The Commoner says that "this paragraph points out an argument against the single gold standard that is not, I think, sufficiently emphasized by the advocates of bimetallism. That gold is not principally valuable on account of any intrinsic value inherent with the metal itself does not seem to enter the mind of the average monometallist while they are continually harping upon the law-made value of silver. It occurs to the writer that converts from the single gold standard might be made among the honest and patriotic portion of our opponents by proving to them that a great part of what they are taught to consider intrinsic value of gold is only law-made value and would disappear at once if the nations of the world should unite in depreciating that metal as they have done in the case of silver. What would gold be worth now if it should immediately be demonetized by all the nations that have demonetized silver? The champions of bimetallism have been thrown upon the defensive to such an extent that in trying to teach the people what would happen to silver if its free and unlimited coinage should be enacted, they have not laid sufficient stress upon what would happen to gold if its free and unlimited coinage should be curtailed or entirely suspended."

Eyes are Opening.

The Sioux City Tribune, a newspaper that in recent years has supported the republican party, has concluded that "the banks that are on the inside of Wall street financiering are now asking for fiat money, but under the control of the banks." And the Tribune has come to the conclusion that "the country will probably decide on two things at an early day: to abolish a tariff so high that monopoly may find shelter behind it, and to curtail the privileges of the national banks."

The Sioux City Tribune seems to have reached this conclusion because as it explains: "The Chicago Tribune, a newspaper owned and edited by multi-millionaires, is responsible for the statement that the recent tremendous slump in Wall street was the direct result of a policy inaugurated by the great financiers, and managed by J. Pierpont Morgan, for the purpose of reducing prices. Prices were pounded down, lower and lower, until solid railroad stocks were bought on less than a 6 per cent basis. Then they took an upturn of 10 to 20 points. Many of these stocks were loaded on the public by Mr. Morgan. Steel stock was sold to employes of the steel trust at more than double the price it now brings. This was done ostensibly for the benefit of the more than 300,000 employes. History will judge it differently."

Cleveland and the Income Tax.

A reader of The Commoner has called attention to a publication which claims that Mr. Cleveland secured the adoption of the income tax feature of the Wilson bill. As the editor of The Commoner was then a member of the ways and means committee and assisted in preparing the income tax measure he knows whereof he speaks when he says that Mr. Cleveland was not only not re-