

in a truly bitter form. Will it be heeded even now when congress again convenes? Are we yet persuaded where the evil rests and are we determined fearlessly to apply the axe to its root—or are we not? That is the question of the present hour."

Nearly every community knows what clearing house certificates are because nearly every community has been dealing in that kind of paper recently. The Public Ledger well describes asset currency as "approximately what we are compelled to put out everywhere now in the shape of clearing house certificates."

The trouble right now is that the business of the country is absolutely dependent upon the whim of the coterie of men who have obtained a corner upon the available cash. This is a temporary corner because the people will not and cannot long submit to it. But the asset currency plan will require the people to permanently place themselves subject to the whims of the financiers. These financiers will be able to issue a considerable portion of the currency without security, without expense upon their part, and then they will be able to contract or expand the volume of currency as suits their purpose. We shall see whether the American people, with all of the striking lessons they have had put before them, will permit this new yoke to be put upon them.



#### COMPARATIVE STATISTICS

The value of the statistics put out by the government bureau of labor is readily seen after studying the latest bulletin issued by the department. The statisticians employed to prove unexampled prosperity give figures to prove that the wage rate per hour in 1906 was fully twenty-five per cent higher than the wage rate per hour in 1892. They prove the fact, too; and here is the way they do it:

During the last ten years the hours of work have been materially reduced, especially in the building and ~~practicing~~ trades, without reduction in pay. This has been accomplished by thorough organization. The carpenter who worked ten hours a day for \$3 in 1892 earned \$3 a day, which was at the rate of thirty cents an hour. In 1906 that same carpenter made \$3 a day, working only eight hours, which was at the rate of 37½ cents an hour. The 1906 hourly wage when compared with the 1892 hourly wage shows an increase of just twenty-five per cent. But the government statistician will experience difficulty in convincing the carpenter that the increase per hour has added anything to the total daily, weekly, monthly or yearly wage.



#### PRESIDENT BUTLER'S DANGEROUS TEACHINGS

In an address delivered at Chicago Nicholas Murray Butler, president of Columbia university, said:

"The character of a corporation does not depend upon its size, but upon the principles and policies which actuate its management. Corporations themselves have no moral qualities; it is corporate officers and managers who are good or bad, honest or dishonest, as the case may be.

"The problem of creating and developing a public service corporation that truly serves the public is simply the problem always and everywhere present in our life, of securing for positions of trust and power men who are not only intelligent, but upright, who are not only efficient, but honest. It is not combination and co-operation that are to be feared and antagonized, but only monopoly and discrimination.

"We are face to face with economic conditions that are new, and with economic abuses that, though manifold, have grown up slowly and in the dark. There is ample power in our institutions, in our constitution and our laws to check and to remedy them all.

"There is now reason to believe that the Sherman anti-trust law commits the nation to a policy which is too extreme, to a policy that, in putting an end to certain admitted evils, also puts an end to certain demonstrable benefits. Many of us believe that the act unduly exalts the principle of competition and fails to lay due emphasis upon the public benefits which may follow from properly regulated and supervised co-operation.

"The distinction between combinations which are reasonable and may well be permitted and those which are unreasonable and must at all hazards be forbidden, is one which ought not to be surrendered or overlooked. It is a

most important question, therefore, whether the time has not come when this act should be amended in order to relieve not corporations, but the people from limitations upon their business activity which this act imposes, although in reality they are not necessary in the public interest."

President Butler asks in brief that the people surrender some of the all too-small measure of protection they now have. What has been accomplished in the way of giving the public material relief from trust imposition which would justify an educator in saying that the anti-trust law is "too extreme?" As a matter of fact that law is practically unenforced in spite of the fact that the people are everywhere complaining of trust impositions. Not one conspirator against the lives-of the people has been placed behind the prison bars. We have had talk and talk and talk; newspaper interviews galore and banquet speeches in plenty, but this law which President Butler says is "too extreme" lies upon the statute books practically unused so far as genuine relief to the public is concerned. President Butler in referring to "combinations which are reasonable and may well be permitted, and those which are unreasonable and must at all hazards be forbidden," means to say that there are good trusts and bad trusts. But like all who make that claim he fails to designate one good trust. He is eminently correct when he emphasizes the importance of securing intelligent and upright men for positions in these great corporations. When he says "the character of a corporation does not depend upon its size but upon the principles and policies which actuate its management," he means to say—judged in the light of other portions of his address—that even though the whole product be controlled public interests are secure provided the men in authority with the monopoly are intelligent and honest. President Butler ought to be careful how he teaches such doctrine to the young men entrusted to his care. The better doctrine is "a private monopoly is intolerable and indefensible," and however intelligent and honest a coterie of men may be they may not, so far as public interests are concerned, be trusted with the power of monopoly over a people's necessities of life. This is so because however honest one may be we are all too apt to resolve these questions along the lines of our own individual interests, just as some of the oppressors of the American people today have preached to their Sunday school classes the absurd notion that these trust magnates are the trustees of God ordained to control the wealth of the country and distribute it for the benefit of the people who create it.



#### A MOLLYCODDLER

The Topeka (Kan.) Capital, a republican paper, makes strong bid for a place in the mollycoddle column when it says: "After all, it looks as though Dr. William J. Long could take care of himself. His description of the president heroically slaughtering weakened 'mother bears' in the spring and then turning about and preaching to hunters to spare our remaining bears from destruction, is good enough. Unlike other members of the Ananias club, Dr. Long is ready to give Teddy blow for blow, the rest of the club being milksops and mollycoddles."



#### BE WARNED IN TIME

With every bank in the United States practically closed, so far as active business is concerned, it is not difficult to make the average man believe that there is something radically wrong with our monetary system. And the people will be told—indeed they are already told—by financiers, big and little, and by the local echoes of the financiers, that what we need is "a more elastic currency"—or "an emergency currency."

"Elastic currency" or "emergency currency," or by whatever name it may be known, it is the same old asset currency for which Congressman Fowler has for years contended; the same currency provided for in the Fowler bill, in the McCleary bill, in the Aldrich bill and in similar measures, every one of which measures was condemned by republican editors and repudiated by republican orators, the people being assured that there was not the slightest danger that the republican party would adopt such measures.

There are many thoughtful men who really believe that the present day panic was brought about for the purpose of forcing through con-

gress an asset currency bill, thus giving to the financiers absolute control over the people's money. And these financiers know, what many of the people themselves do not know, that control over the people's money means control over the people.

The asset currency is the thing for which the money trust has for years contended and one of the things it most desires. It will be a sorry day for the American people when they sleep so soundly as to permit these money gamblers to place upon the statute books such a measure as is contemplated by the American Bankers' Association.

Do not forget to drop your representative and your senator a line to let him know that your eyes are upon him. Tell him frankly that the man who goes on record with a vote in favor of asset currency places upon himself an indelible brand—the brand of Wall Street.



#### "STAMPED WITH FRAUD"

A Commoner reader asks for information concerning the Standard Oil-customs house deal in New York.

In January, 1906, the New York World exposed the fact that the republican administration, having sold the old customs house to the City National bank, better known as the Standard Oil bank, instead of collecting the purchase price of \$3,265,000, and depositing it in the United States treasury according to law, had "directed" the Standard Oil bank to "credit" the United States with \$3,215,000. The World showed that this actually left the purchase price in the hands of the purchasers to loan out at the prevailing rate of four per cent, while the balance of the purchase price, \$50,000, was left unpaid, even by crediting it as a deposit and this was done in order to enable the Standard Oil bank to avoid paying taxes to the local authorities, on the theory that it did not own the property. It will be seen that by this arrangement, the bank obtained the use of all the money it was presumed to have paid for the purchase of the building and at the same time avoided paying taxes on the property while the bank further sought to compel the government to pay to the bank rent for the property, while the new customs house was being erected.

In the house in February, 1905, an effort was made under the leadership of Hemmenway (now senator) of Indiana, republican, and chairman of the committee on appropriations to pay the bank \$130,600 for rent for the customs house. The Washington correspondent for the Detroit Free Press, describing the fight on the floor of the house, said: "The opposition was led by Mr. Sulzer of New York, supported by Mr. Williams of Mississippi, the minority leader, both of whom denounced the expenditure as a public scandal and in the interest of the Standard Oil company, which, it was alleged, was behind the National City bank, the purchaser of the building from the government. Although the bank was alleged to have bought the property for \$3,000,000 and to have credited the amount to the government, it developed that no title had passed to it and that in consequence it was paying no taxes to the state of New York. The failure of the government to give a deed was ascribed to be due to the influence of the Standard Oil company."

Replying to a question submitted by Mr. Williams of Mississippi, Mr. Hemmenway admitted that no deed was passed from the government to the bank and that the bank was not paying taxes for the building. While admitting that Secretary Gage made "a bad contract," Mr. Hemmenway insisted that it was the duty of the government to comply with its terms.

Mr. Williams declared that the whole transaction was stamped with "fraud and dishonor." Mr. Sulzer, who made the motion to strike out the proposition for the appropriation, said:

"It is a notorious scandal, a steal and a fraud, and I can not understand why the City National bank has not been compelled to pay to the government the three million dollars purchase money for the building, instead of the money being simply transferred on the bank's books, except that it was due to the influence behind the bank. Every one in this chamber knows what that influence is. It is the influence of the great Standard Oil trust that owns that bank, and the influence that bank has had in governmental affairs of this country."

Mr. Sulzer's motion to strike out the appropriation prevailed by a vote of 93 to 77.