

and gathered inspiration from the democrats, is willing to admit that there ought to be a little reform, but the standpatter is quite sure that if we do not stand stock still, we will soon be going like blazes."

Mr. Bryan then took up his subject and proceeded to present the democratic view and the aristocratic view of government—Jefferson being the representative of those who view government from the standpoint of the whole people, and Hamilton representing those who view it from the standpoint of those who deny the right and the capacity of the people to self government. He showed how this difference in the point of view accounted for the position taken by different people on questions relating to the methods of government. He insisted that the democratic party looked at government from the Jeffersonian point of view, while republican leaders were more Hamiltonian, and leaned toward centralization.

He next presented the democratic and aristocratic view of society, saying that the democrat regarded society as constructed from the bottom, while the aristocrat thought it constructed from the top. "The democrat," he said, "believes that if you will only legislate so that the people will be prosperous, their prosperity will be shared by the smaller classes that rest upon the people; the aristocrat believes that if you will only legislate to make the well-to-do prosperous, their prosperity will leak through on those below. You cannot make a man admit that he is an aristocrat, but you can prove it on him by the view he takes of public questions. When I want to ascertain a man's point of view, I tell him the story of Lazarus and Dives. If he is a democrat he regrets that there is any one who is compelled to live on crumbs and begins to devise some remedy that will enable each one to have a table of his own and not be dependent on the crumbs that fall from the table of another. If he is an aristocrat, he says, 'What a lucky thing it was, Lazarus, that there was a Dives near.' This is no imaginary test. It is a very practical one. You will find that the democrat looks at public questions from the standpoint of the masses and asks what will be best for the people as a whole, while the republican leaders eulogize 'the captains of industry' and regard the employer as a sort of trustee to whom the government should give all that is intended for the employees.

"Why do republican leaders favor centralization? Because the great corporate interests want to get away from state legislation. The democrats believe that the government should be kept as near the people as possible and want federal remedies added to, not substituted for, state remedies.

"Why do the republican leaders prevent effective legislation against the trusts? Because they look at the question from the standpoint of the trust magnate, while the democrats look at the question from the standpoint of the millions who are victimized.

"Why do the republicans favor high tariff laws which tax eighty millions of the people for the benefit of a small fraction of the population? Because they look at the subject from the standpoint of the beneficiaries of protection, while the democrats consider the rights and interests of the consumers.

"Why do the republican leaders refuse to enact efficient laws for the regulation of the railroads? Because they look at the subject from the standpoint of the railway magnates, while the democrats consider the interests of the patrons and the interests of the stockholders both of whom have reason to complain of the management of some of our railway systems.

"Why is it that republican leaders oppose arbitration? Because they view the subject from the standpoint of a few big corporate employers while the democrats insist that the employees and the business public have a right to be considered. The same difference in viewpoint accounts for the difference in the position of the parties on the subject of government by injunction.

"Why is it that the republican leaders are willing to continue the enormous expense of imperialism when it has brought nothing but danger and humiliation? Because the republican leaders are considering the interests of a few who hope to secure Oriental trade, while the democratic party considers both the rights of the Filipinos and the interests of the democratic masses who pay the taxes and furnish the sons required for the military support of a colonial policy.

"And I may add, the difference in the point

of view will explain the difference in the remedies proposed to relieve the present financial stringency. It came from speculation in Wall Street and the republican leaders have so tied the country to Wall Street that eighty millions of people must shiver when the Wall Street speculators get cold. The republican remedies all provide that the high financiers shall be well paid for acting as guardians, while democratic remedies look to the protection of the depositors and the business of the country.

"And so I might take up each question and explain the difference between the position of the two parties by the difference in the point of view, and this will also explain the difference in the attitude of the parties on the subject of campaign contributions. If it is said that the democratic party opposes the collection of campaign funds from corporations and individuals interested in class legislation, because those contributions now go to the republican party, I reply that the democratic party could secure such contributions by promising payment in legislation or in immunity from punishment. But instead of doing that it prefers to protect our campaigns from the corrupting influence of such contributions by laws which will require the publication of contributions before the elections. The time is ripe for a democratic appeal to the democratic sentiment of the country. There is no doubt that a large majority of the people take the democratic, rather than the aristocratic, view of government and of society. All that we have to do is to convince those who are really democratic in sentiment that the democratic party can be trusted to be democratic if entrusted with power. I believe that in the coming congress our democratic senators and representatives will prove themselves equal to the task imposed upon them and demonstrate the fidelity of the party to democratic principles. Then, with a united party we can face a divided opposition and enter the campaign with the assurance of a victory."

TOO MUCH FOR HORACE WHITE

Mr. Cortelyou's financiering is too much for Horace White. It will be remembered that Mr. White was at one time editor of the New York Evening Post and was conspicuous as a champion of the single gold standard in 1896. Writing to the editor of the Evening Post Mr. White says:

Permit me to say that I concur in your criticism of the action of the treasury department in issuing a lot of three per cent certificates of indebtedness at this juncture, and to add that the objections are equally valid against issuing Panama canal bonds. Both are schemes to borrow money from the public at interest in order to lend it to banks without interest, at a time when the government already has \$240,156,431 (minus a small working balance) already loaned in the same way. There is no pretense that either class of obligations is put out to obtain money for any governmental purpose.

The avowed purpose is to relieve the money pinch. You have shown that the money pinch was already relaxing, as indicated by the decline in the premiums on currency, both here and in Chicago. You have pointed out how the premiums on currency relaxed and disappeared without government interference in 1893. You have argued truly that the treasury department, by "butting in" at this juncture, deprives the public of those lessons in prudence and self-dependence which are greatly needed as helps to ward off like calamities hereafter.

It seems to me that something more might usefully be said in the way of pointing out the real nature of the action taken at Washington. Mr. Cortelyou with much simplicity, begins by saying that he has already placed more than \$200,000,000 in the banks. Upon this money the depository banks are receiving rates of interest varying from six to thirty per cent. If we take the lowest figure the income from this source is \$12,000,000; but it is much more, because, being legal tender money it can be counted as cash reserves, forming the basis of loans at the rate of \$4 of discounts to \$1 of cash. It may be assumed that the profit derivable from these government deposits is at the rate of \$50,000,000 per annum in the aggregate. Now, Mr. Cortelyou comes forward in a breathless way and says to the people, and President Roosevelt echoes him (or vice-versa): "I have exhausted my means for loaning money to the banks free of interest. I can not place another cent there except by borrowing. Congress has given me only two resources in the way of loans, both designed for quite different

purposes—one for digging the Panama canal, the other for the war with Spain. I will try both, to the extent of \$150,000,000, if necessary. So please buy these securities. I will pay you interest at two per cent on the Panama bonds, and at three per cent on the Spanish war scrip, and then I shall be able to increase my loans to the banks without interest. Perhaps they will use some of these securities to increase their own circulation."

Now if the banks had originated this system of government financiering they might be justly classed among the hateful trusts, for even the Standard Oil gouges the public deeper, but they are not censurable in this way since the government itself originated it and even now rushes forward with new millions and hundreds of millions and presses it upon the bankers; and, like little Jack Horner, who sat in a corner, exclaims, "What a good boy am I!"

If I were a banker I suppose I should do what they do; that is, accept the free offerings of a generous government. I do not know why anybody should reject the nuggets flung at him by the benevolent treasury of his native land. Of course, the bankers and their newspaper organs, which are more numerous than the public are aware of, approve of the arrangement, and the chorus is re-echoed from the other side of the water, where they sing paeans for anything which promises to prevent us from importing more gold. But I see that \$3,500,000 was engaged yesterday after the Cortelyou scheme was promulgated.

HORACE WHITE

New York, November 19.



J. PIERPONT MORGAN IS A MAGNANIMOUS MAN

In its issue of Sunday, November 24, the New York Herald printed, from its Washington correspondent, the following dispatch:

With the new co-operative spirit between President Roosevelt and the financial world greatly strengthened by the visit to the White House of Mr. J. Pierpont Morgan and with proposals for more than \$50,000,000 of the \$100,000,000 treasury notes issue being allotted rapidly by Secretary Cortelyou, the business outlook from Washington was much brighter today.

The most hopeful indication for the future is that the WILLINGNESS OF ALL SIDES TO DROP DIFFERENCES and pull the country out of the depression IS NOT TEMPORARY, but promises to CONTINUE DURING THE UNCERTAIN PERIOD OF CURRENCY REFORM LEGISLATION in congress.

Proposals for upward of \$20,000,000 of the treasury notes have been received from banks in New York City. Among them are some of the banks which proposed to enter a syndicate to purchase \$25,000,000 of the notes. MR. MORGAN PAVED THE WAY for this action the day after the issue was announced. The amount of allotments to the New York banks is not disclosed, but their purchases are made under an agreement that SEVENTY-FIVE PER CENT OF THE PURCHASE PRICE SHALL REMAIN IN THEIR VAULTS as public deposits and that they shall use the entire allotment of the treasury notes to secure additional circulation. These banks have sufficient currency already printed to enable them to put the full amount of bank notes desired in immediate use.

This means there will be a big jump in national bank circulation next week. The total maintained in circulation today by six thousand national banks was \$642,150,641, as against a little more than \$600,000,000 when the present crisis began. One bank in New York today took out \$1,900,000 new circulation. This is understood to be the National City. An increase of more than \$20,000,000 may be looked for early next week, and the amount thereafter will grow rapidly.

The highest significance of Mr. Morgan's visit lay in the evidence it bore of HIS WILLINGNESS TO JOIN WITH THE PRESIDENT in helping the situation. His relations with President Roosevelt have been MARKED BY SEVERAL PERIODS OF STRESS during the last few years, but the president has always respected him. The administration prosecution of the Northern Securities merger caused strong feeling. At a dinner held in Washington last winter which Mr. Morgan attended, President Roosevelt took occasion so pointedly to refer to the attitude of "men of great wealth" toward his policies that a sensation was caused and predictions freely made that Mr. Morgan and the

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