

# "The Currency Crime" --- As Seen By a Republican Paper

The following editorial appeared in the Philadelphia North American (issue of May 29) a republican paper:

"Dead and damned!" was the epitaph which a famous democratic editor once wrote at the close of a democratic congress which had proved itself the enemy of the common interest and the servant of public enemies.

Are there not three or four republican senators big enough, broad enough, far-sighted enough and sufficiently patriotic to save us the humiliation of being compelled by honesty to repeat that epitaph when this present congress dies—none too soon?

The republican party is about to go before the people with the mongrel, hybrid, cheating, swindling thing labeled the Aldrich-Cannon currency bill as its claim to the ballots of American workers and business men, already long-suffering and embittered victims of the gamblers of New York.

It has been whipped through the house, to the shame of the men who have stifled their own convictions and crouched cowards under the lash of the vulgar tyrant in the speaker's chair for fear of his threat to deprive them of their slices from "the pork barrel"—their appropriations in the omnibus building bill.

It will be whipped through the senate in like fashion, in all likelihood, thanks to the feebleness of the democratic minority, playing the donkey's roll as usual in their inability to see the chance to gain favor by a filibuster that would be patriotic statesmanship.

Worst of all, we believe that Roosevelt will make the bill a law by signing it. He will hurt his country and his party not because of lack of courage or of good intent. He will do this sin because of lack of understanding.

In grasp of financial questions he is an infant. He trusted Cortelyou. That was excusable. But he continued to trust him after last December. And now again, with the best of motives, he will commit one of those blunders which Talleyrand rightly called "worse than a crime."

Are there not two or three men in the United States senate not too deaf to hear the stern warning of all the legitimate business interests of America?

Has not Roosevelt enough friends there to save him from himself?

Are there not enough loyal republicans to keep the party from being rushed into gravest peril by this foisting upon the people at the dictates of Wall Street a law immeasurably worse than the one condemned by practically every organized body of business in the nation?

Even the original Aldrich bill was better than this iniquity. Even the two-headed freakish thing promised by the conference conspirators was not so vicious as the swindle rushed to passage in the house after one hour's debate, before a single member had a chance to read the bill upon which he voted.

It was only eighteen months or so ago that Aldrich on the floor of the senate made this declaration regarding municipal and railroad bonds: "In these days they are fluctuating widely, and no prudent banker could afford to buy bonds other than the bonds of the United States."

But that was before he had new orders from 26 Broadway and the National City bank, and before J. P. Morgan's office boy in Washington received the message that illegal bond issues would be needed for Wall Street's convenience in addition to \$250,000,000 deposits of the people's money.

Those high financiering banks of New York owed outside banks \$410,000,000 just before last fall's panic. From August until December the country could squeeze only five per cent of its own money from New York's clutches. And Wall Street made a virtue of paying \$20,000,000 of its \$400,000,000 indebtedness to the distressed country, during a period when the accommodating Cortelyou increased the treasury deposits in New York banks \$47,000,000.

But Wall Street had bonds in plenty—railroad and municipal bonds unsalable, unacceptable by savings banks, and so speculative and unstable that many of them fluctuated from ten to twenty per cent within a year.

New York was the defaulter of the nation, with its illegal clearing house certificates. But there are bonds to build new skyscrapers in

Broad street if heaped in bundles, flotation upon flotation.

There were bonds enough when Mr. Cortelyou opened the treasury doors to them to increase the deposits of railroad and municipal bonds with the government from \$87,000,000 in October to \$200,000,000 in December. And still Wall Street gasped for breath under its load of dubious securities.

It was to dump upon the government that load that Aldrich introduced the bill that he did not himself dare defend except as a makeshift. And it was that bill which brought forth an outburst of indignation from every board of trade and commercial body throughout the land.

The protest was so universal that Aldrich voluntarily withdrew his proposal to accept railroad bonds as security for currency. He did so in an attempt to forestall LaFollette's tremendous indictment, of which this was an essential clause:

"For us to pass laws here that lend government credit to railroad financiering schemes, that guarantee, in a measure, railroad securities and adopt railroad securities, good, bad and indifferent, into the currency system of the country, without either discrimination or investigation, could not be justified under any pretext of serving the public interest."

But on that same March day the Wisconsin senator warned the country that the vicious proposal had been dropped only temporarily and would be revived. He was right. Aldrich and his clique even then were preparing to prove themselves tricksters and faith breakers.

The anger of the people was lulled to sleep. The public watched with contemptuous indifference the senate's passage of the emasculated Aldrich bill and the acceptance by the house of the spineless Vreeland measure, the latter, at least, having the merit of recognizing in a small way the only true basis of emergency currency—commercial paper.

And now at the eleventh hour, the conspirators deliver their stab at the commerce of the country. They rush forward a bill well described as "half senate infamy and half house infamy," embodying every rotten Wall Street device that lay in the earlier bills and discarding every amendment for the protection of honest banking and legitimate business.

Commercial paper is mentioned and railroad bonds are not. Oh, the wisdom of these pirates, thinking they can mask their purpose with such word twisting! Just as if the business men of the country would not understand the meaning of "other bonds" and "securities including commercial paper."

State, county and municipal bonds to be accepted at ninety per cent of their market value. "Other bonds" and commercial paper to be taken at seventy-five per cent only after arranging complicated and elaborate associations feasible only for the New York banks.

And even should such machinery be formed and the entire assets of the banks pledged, they could issue only thirty per cent of the unimpaired capital and surplus on the security of commercial paper, while on "other bonds" the only limitation placed is that the issue, together with the circulation based on United States bonds, must not exceed the aggregate capital and surplus of the issuing bank.

This law will mean the turning over of the treasury of the United States to the gamblers of the New York stock exchange for a period of six years.

It will mean the making of "good times" and "bad times," of "bull" markets and "bear" markets according to the pleasure of Rogers and Rockefeller in the National City bank and J. P. Morgan in the National Bank of Commerce.

It will mean not the slow and certain movements of contraction and inflation by the natural laws of commerce, but sharp changes forced at will by the master gamblers.

It will mean the gift to the chief enemies of the nation of the power to issue or retire half a billion of dollars, exciting speculation or compelling disaster according to whichever best suits their betting book.

What the effect will be upon the coming elections we do not know. We do not know what measure of punishment a long-suffering people will inflict upon their betrayers.

It is not the time to think of politics or partisanship. A thing is being done which will

affect every employer and every employe in America, every banker, merchant, manufacturer, clerk and mechanic.

We wish merely to warn one and all. The country will be in the condition of a convalescent to whom drugs that are powerful stimulants, but poisonous, would be administered.

There will be a boom—a feverish but false activity. The issue of half a billion of fiat greenbacks or 16 to 1 silver would have the same effect. And then, after the North American and the few like us have been mocked at as false prophets and pessimists, payday will come. And the price will be a bitter one.

## AT THE MERCY OF WALL STREET

Following is from the Omaha World-Herald:

No citizen desiring an understanding of just what congress did in passing the Aldrich-Vreeland bill can allow the editorial published in the Philadelphia North American to go unread. That is one of the very few big republican newspapers that are not edited from Wall Street.

The gallant fight the North American made against the infliction of this monstrous outrage on the American people entitles it to a nation's gratitude, even though it was a losing fight, like LaFollette's.

We ask our readers to bear in mind that it is a fearless and honest republican newspaper that characterizes this currency bill congress has passed as "embodying every rotten Wall Street device that lay in the earlier bills, and discarding every amendment for the protection of honest banking and legitimate business;" that declares it is a "stab at the commerce of the country;" that asserts it was "foisted upon the people at the dictates of Wall Street" and brands it as "a mongrel, hybrid, cheating, swindling thing."

We ask our readers to remember that it is a republican newspaper that admits this law "will mean the turning over of the treasury of the United States to the gamblers of the New York stock exchange for a period of six years;" that it is a republican newspaper asserting "it will mean the making of 'good times' and 'bad times,' of 'bull' markets and 'bear' markets according to the pleasure of Rogers and Rockefeller in the National City bank, and J. P. Morgan in the National Bank of Commerce."

This is what a republican congress has given the country as an "emergency" measure!

The same men who prepared it, and had the nerve to push it through congress on the eve of a general election, are now at the head of the commission that will prepare a permanent currency bill. These men are Aldrich, of Standard Oil, and Vreeland, the New York banker. The bill they prepare will be enacted into law, after election, if the republican party continues to control congress and elects the next president.

If the Aldrich-Vreeland bill is what they gave us as a "temporary" law, and in advance of election, what, in God's name, would they give us for a permanent law, after election, when they need no longer fear the wrath of a betrayed people?

## NOT DEMOCRATIC PAPERS

Observes the Omaha Bee: "If we can not elect Bryan, we can elect no one," says the Courier-Journal. "Mr. Bryan can not be elected," says the New York World. "Bryan, if nominated at Denver, is scheduled for certain defeat," says the New York World. "Bryan will be beaten before the polling places are opened," says the Brooklyn Eagle. These democratic newspapers seem to have a very keen appreciation of the political situation."

Where did you pick up the notion that the New York World and the Brooklyn Eagle are "democratic newspapers." They used to be. But neither of them now claims to be. It is dollars to cents that both of them will support Taft.—Louisville Courier-Journal.

## THEY WILL HAVE TO EXPLAIN

The time will come when the republicans will have to explain the unenviable position they have made for themselves by adopting such makeshift legislation.—Richmond (Va.) Times-Dispatch.