

THE VALUE OF MONEY

Dr. Clark Joins Mr. Paton in Declaring That Congress Can Regulate the Value of Money by Regulating Interest Charges

Dr. J. W. Clark, one of the "Old Guard of Populism" in Indiana, writes The Independent a letter commending Mr. Paton's "Fixing the Value of Money" (page 6, Nov. 5), enclosing a copy of the Missouri World of September 16, 1896, containing an article on similar lines. The Independent is glad to reprint Dr. Clark's article. It would, however, suggest that Dr. Clark confuses "utility" and "value" in his illustration. "Cheap" money cannot be "very valuable;" but it can be very "useful" or of great "utility." Water has great utility, but its "value" depends upon a limitation of the supply. As a matter of fact, the overflowing of the tank at the well did not affect the utility or usefulness of the water in the street tank; but it did render all the water valueless. The supply was greater than all wants; there was a free supply of more than all needed; no one would give anything in exchange for a gallon of water; hence, it was valueless.

THE AUTOMATIC SYSTEM OF FINANCE.

The way to settle the money question is to knock the devil out of the dollar, and when that is accomplished it will not be so hard to knock him out, and keep him out, of the hearts of the people. We will venture to suggest a plan, and the people can have it for just what they think it is worth. But we wish to state that before adopting the financial system we are about to suggest that there should be first, some preparatory legislation, such as a land limitation law, or graduated land tax; a graduated income tax, and government ownership and control of lines of communication and transportation.

Then when that is done let us adopt a medium of exchange that is in keeping with an enlightened, civilized and Christianized people, by the government issuing a full legal tender paper money and put it into circulation by paying off its obligations and loaning it direct to the people on real estate security, to an amount say not to exceed one-third or one-half its actual cash value, and at a tax not to exceed the average net gain of labor, and let that tax go to the government instead of to banking corporations. Congress can regulate the volume and that carries with it the value (because the value of a dollar depends upon the volume that is in actual circulation) by just simply regulating the tax the government charges the borrower for the use of money.

And in order that we may be thoroughly understood, we will illustrate the matter. Some years ago we saw in a western village a public water tank situated in the main street of the town. That tank was supplied with water through an iron pipe attached to another tank, situated at and supplied by a well of inexhaustible water that was run by a wind pump. The tank in the street had a valve in the center of the bottom, and to that valve was attached one end of a cord; the other end was attached to a block of wood which served as a buoy and floated on the water in the tank. The length of the cord was so adjusted that when the tank got so full the buoy (block of wood) rose, of course, and the cord became taut and closed the valve in the bottom of the tank, and if the wind pump was not stopped, the tank at the well ran over instead of the one in the street. And as soon as the water in the tank in the street began to be consumed, the cord became lax, the valve dropped and in came the water, and in this manner was made self-adjusting.

Now, then, we want congress to go to work and establish a tank in every county seat in the United States in the way of a government loan of five, and let these tanks be supplied with full legal tender paper money, like the postoffices are with stamps, and let the people protect the people by loaning to the people, on the terms and conditions stated above. "Well," says one, "what will prevent an undue inflation of the currency?" Our answer is that if congress will so adjust the tax the government charges the borrower for the use of money, and keep the rate of tax in harmony with the average rate of the net gain of labor, they can just as effectually control the volume, as the lengthening and shortening the cord inflated or contracted the volume of water in the tank. And if at any time in the judgment of congress the volume of money was too small, let them lower the tax, or, in other words, lengthen the cord; and if at any time there appeared to be a plethora of money, raise the tax, or, in other words, shorten the cord; and as long as a per-

son can borrow money from the government and make a margin over and above the tax the cord, so to speak, is lax, the valve swings open and the currency keeps flowing from the general government into the channels of trade.

When a person in any particular line of business cannot make a margin over and above the tax, then the cord, so to speak, has become taut, and the valve closes, or, in other words, he returns the money and the mortgage is cancelled. When A can no longer invest his money in active productiveness and make a profit equal to, or above the average net gain of labor (or national interest), it is fair to presume that he will loan to B at the same rate or a little less.

While this is the case it is fair to presume also, that but little if any money will be borrowed from the general government. Under this system no one can get a corner on money any more than he can on postage stamps. Money can be made very cheap, yet very valuable. The overflowing of the tank at the well did not render the water in the tank in the street any less, or any more valuable. As it is with the unused postage stamp, so it would be with the unused money in the government banks. That which would be in circulation would not be rendered any less valuable by there being a surplus.

We are sure that some one would like to know what we would base this money on. We are not going to have any base, only this government and the fullness thereof. We are not going to base it, as at present, on John Bull and his little lump of gold. "Well," says one, "how are you going to balance with foreign countries?" We do not believe that under this system, with as glorious a country as we have, there would be any balance against us, but in the event there should be, let us balance with commodities, and let that be beef, pork, corn, wheat, cotton, silver or gold; but not with money, which would destroy the equilibrium of our circulating medium.

We have been asked, "What would become of your paper money if we should ever be subdued by some foreign power?" Our answer is this: As all could not have gold let us all fare alike. Besides, it would prompt every one to be loyal to his country. But the way it is now, "give me gold and the devil can take the country." We have at this time a great deal of rascality in this country, and it is likely to continue as long as we keep a premium on it, or, in other words, as long as we keep money more valuable than that which it was designed to honestly represent.

Under this system congress would be coining money and regulating the value thereof, as the constitution requires them to do. Let congress do the coining and regulate the value (tax) and the volume will adjust itself to the business requirements of the country. But for congress to go to work and just simply coin a dollar with so many grains of gold or silver in it, without any reference to the number of dollars or units there should be in actual circulation to transact the business of the country on a cash basis, and without devising some plan, also, to prevent them from being manipulated and monopolized for the purpose of reaping exorbitant rates of interest, does but little more towards regulating the value of the dollar than they do toward regulating the wind or the weather.

While it is true that the value of the dollar depends upon the volume, or number of dollars or units there would be in circulation, yet it would also be true that that volume would depend upon the rate of tax the government would charge the borrower for the use of money. So that to regulate the tax would be in reality regulating the value and at the same time would allow the volume at all times to more accurately adjust itself to the business requirements of the country than to restrict it to a certain amount per capita. And it is my greatest desire above all things temporal, to live to see the day when all able-bodied people will have to eat bread in the sweat of their own face, or not eat at all, so that those who do work may enjoy the fruits of their own labor. J. W. CLARK, M. D. Washington, Ind.

Money in Farms

1,880-acre farm 4 miles from Republican City; 400 acres of the very choicest timber; 600 acres including the timber is in pasture; practically all the balance under cultivation; 80 acres in splendid stand of alfalfa; 200 acres of as fine alfalfa land as can be found in Nebraska. One complete set of farm buildings, all good and in splendid repair; all fenced and cross-fenced and well watered. Price for the entire tract, \$30,000. The greatest opportunity in Nebraska for a man

IAMS' HORSES

Well, well! Cheer up! Get busy—Iams' peaches and cream are ripe. They were sensational "show horses," "live whirlwinds" at the Nebraska State Fair. (He had a snap.) Iams had a whole barn full of prize winners there. Iams won first on four-year-old Percherons in class of thirty-two (an easy victory). Also championship sweepstakes Percheron stallion over all, and many more prizes. In fact all the principal prizes in Percherons, Belgians and Coachers. Then Iams kept his great \$1,000-pound show pair and the best stallion in every class out of the Nebraska show yard. Iams' best horses were at the Nebraska State Fair for exhibition and were not shown for prizes. None of the special train of 100 stallions received August 23, 1903, were shown at Nebraska State Fair, and among these he had the first and second prize four-year-old Percherons at largest French horse show at Chartres, and many Percheron winners at leading "horse-shows," as well as winners at leading "horse-shows" of BELGIUM and GERMANY. Iams is justly entitled to the name—

SWEEPSTAKES STUD

VISITORS and BUYERS through his barn at Nebraska State Fair and said: "HELLO, TOM! I'M FROM ILLINOIS." "I'M KILLY FROM MISSOURI. Say, IAMS HAS THE BEST HORSE-SHOW I EVER SAW. Yes, see those four 2,000-pound two-year-olds. IAMS IS A DOT ADVERTISER, but he has horses BETTER THAN HE ADVERTISES: nicer than pictures." "HELLO, ME. I'M FROM IOWA." "I'M ZEKI, from Ohio. Say, this is the BEST STRING OF STALLIONS I EVER SAW; they are sure peaches and cream. See those six 2,300-pound three-year olds—all alike, too. They are ALL-WOOL AND A YARD WIDE. Zeke, they are sure 'THE WIDE-ASA-WAGON SORT.'" "Say, MOTHER, look! This is IAMS' GREAT SHOW OF HORSES. His horses are all black and big, ton fellows; none on the grounds to compare with his. He always has the BEST." "Well, Samantha, here is IAMS' SHOW HERD. EVERYBODY wants to see his horses. We came from California to see IAMS 5,100-POUND PAIR OF STALLIONS. THAT'S THEM; better than the pictures. They are sure the greatest pair in the U. S. Yes, and WORTH GOING 2,000 MILES to see." "Hello, Louis, here is IAMS' 2,400-POUND SWEEPSTAKES PERCHERON STALLION OVER ALL. He is a 'HUMMER.'" "Say, 'DOC,' I don't wonder at HIS COMPETITORS wanting this horse BARRED out of show ring. He is a SURE WINNER anywhere. IAMS always has GOOD ONES and has them in shape." "Hello, Bob. See those Illinois men buying that 2,300-pound three-year-old, a 'TOP-NOTCHER,'" at \$1,200—MUCH BETTER than twenty of my neighbors gave \$4,000 for." "Kitty, see those fine COACHERS OF IAMS." "Georgie, dear, they are lovely; they can look into the second-story window. They step high and fast—real, live 'WHIRLWINDS.'" "Yes, Kitty, IAMS HAS MORE REGISTERED DRIFT and COACH STALLIONS than ANY ONE man in the U. S., and all good ones." "Georgie, dear, you must buy your next stallion of IAMS. His horses are much better than the one you paid those Ohio men \$4,000 for, and IAMS ONLY ASKS \$1,000 AND \$1,500 FOR 'TOPPERS.'" IAMS has on hand

147—Black Percherons, Belgians and Coachers—147

90 per cent blacks; 10 per cent ton horses. IAMS speaks the languages, BUYS DIRECT from breeders, pays NO BUYERS, SALESMEN or INTERPRETERS. Has no THREE to TEN men as partners to share profits with. His TWENTY-TWO YEARS SUCCESSFUL BUSINESS makes him a safe man to do business with. Iams guarantees to sell you a better stallion at \$1,000 and \$1,400 than are being sold to stock companies for \$2,500 to \$4,000 by slick salesmen, or pay your fare and \$25 PER DAY FOR TROUBLE to see them, YOU THE JUDGE. IAMS PAYS HORSE'S freight and buyer's fare, gives 60 per cent breeding guarantee. Write for eye OPENER and CATALOGUE. References: St. Paul State Bank and First State Bank.

FRANK IAMS.

St. Paul, Nebraska.

with money. No. A79.

2,411 acres of choice land in the Republican valley, 2 miles from good town, in Red Willow county; 700 acres under cultivation; 1,900 acres of fine alfalfa and sugar beet land; six sets of improvements; watered by 7 wells, springs and the Republican river which forms the northern boundary of the land; 25 acres of nice timber. This is a great proposition for investors. Price \$12.50 per acre, and to the party who buys the whole tract we will assign a lease to one school section. Write for plats and full particulars if interested. No. 27H.

One of the best equipped ranches in Nebraska, located in Loup county; leased for \$1,000 per year cash. Price, \$10,000. Would consider good farm land in trade for this.

Another great ranch in Loup county; 11 quarters of deeded land and 3 quarters of school land leased, plenty of fine range joining this land. 1,040 acres under irrigation ditch; 320 acres under plow; 160 acres in tame grass, alfalfa, timothy and clover. 30 miles from the railroad, but roadbed is graded to within 2 miles of the ranch. All equipment required on a first-class ranch. Buildings all fine and painted up in good shape and cared for. \$8,000 worth of live stock and machinery, implements, etc., goes with this ranch. Price, \$35,000. Will take part in trade for good land or good income property. No. A77.

EXCHANGE LIST.

\$4,000 equity in a splendid farm near Fairmont, Fillmore county, to trade for ranch property. This is a splendid chance for some one to get one of the best farms in the state.

Several fine brick blocks, renting for good price, in county seat town, to trade for land.

A number of stocks of merchandise to trade for land.

If you have anything to trade, list it with us for quick trade.

WEBER & FARRIS, Lincoln, Neb.

Special Bargains and Low Prices are Offered in the Following Propositions

No. 646. 640-acre farm, 100 acres in cultivation, 400 acres in pasture, balance hay meadow; all fenced, good house, barn, cattle sheds, granary and other buildings. Price \$5 per acre.

No. 573. 1,440 acres 1 1/2 miles from Eddyville, Dawson county; good hard land; 120 acres in cultivation; house, 2 wells and mills; la cheap at \$8 per acre.

No. 670. 2,940 acres on the South Loup River; 400 acres in cultivation,

75 acres alfalfa; all fenced and good soil; 100 acres timber; good improvements; telephone connections. Price, \$10 per acre.

No. 79. 1,100 acres bottom land on Wood river; 350 acres in cultivation; 90 acres in alfalfa; 15 acres in brome grass; there is no better corn land in Nebraska; good buildings, is cheap at \$20 per acre. Will sell all or part. Good terms can be given.

No. 673. Barber shop and fixtures for sale in good town; first class business established.

No. 566. 160-acre farm, 45 acres in pasture, 100 acres in cultivation; good dwelling, barn, granary; located two miles from good town in Clay county. Price, \$35 per acre.

No. 675. Ranch containing 3,520 acres deeded, 640 acres school lease, 35,000 acres free range; fenced in six pastures; 2,500 acres good alfalfa land, 120 acres in alfalfa; 50 miles of fence; 12 mills and wells; 3 sets of good buildings; with the ranch goes 175 head of cattle, 150 horses, including imported stallion 6 years old, weight 2,100 pounds; 100 mares that will weigh from 1,000 to 1,700 pounds; 1,000 ewes; will exchange for Iowa or Illinois land; or will sell, good terms on half the amount. Ranch located on R. F. D. Price \$8 per acre and the stock at market price.

No. 664. 73 acres at \$65 per acre, located only two blocks from high school at Cheney, Neb. Fine buildings, good 7-room house, barn 24x32, granary, 2 corn cribs, farm in a high state of cultivation; this is cheap.

No. 17. 320 acres on the Loup bottom with one half mile of the river, plenty of free range adjoining. Frame house and barn and other good improvements. \$5 per acre. Must be sold at once.

NEBRASKA REAL ESTATE CO. J. H. EDMISTEN, President.

Boys, Do You Want a Watch?

The Lincoln Daily Star desires to give away free to the boys of Nebraska 1,000 new watches—first-class time keepers—stem wind and stem set. You don't have to pay any money to get one of these watches. Send us your name and address and we will mail you full particulars. This is a splendid chance for the boys to get a watch free and we would like to hear from all of them. Address, Watch Department, Daily Star, Lincoln, Neb.

The machine will keep on grafting just as long as the people keep on voting for the machine. The remedy is, if you don't want grafting, don't vote for it.