

Independent School of Political Economy

FALSE TO MARX.

Perhaps it may be because J. A. Wayland, editor of the Appeal to Reason, was once a member of the people's party national committee for Colorado; or it may be because A. W. Ricker, one of its associate editors, was high up in the people's party councils in Iowa some years ago—but at any rate, the Appeal is guilty of socialistic heresy and treason to Karl Mark. Proof: Read the issue of December 5, 1903, page 2, column 4, this item in "Queries and Answers":

"ABOUT MONEY VALUE.

How is it that while at the banks gold and silver are at par, the monied men tell us that the silver dollar is only half the value of the gold dollar?—J. E. Greenwood, Chicago

Because the LAW says that the two coined pieces shall have the same power in the paying of debts. If the law said that a piece of copper the size of a cent, which it coined, should pay as much debts as a gold dollar and would be receivable by the government for all dues, might circulate just the same as gold in all transactions, though the gold would likely be used more in export business and might itself be exported. But the business transacted with the copper would be just as much transacted as if it had been done with gold. Nearly all transactions are now done without either gold, silver, copper or even paper money—it is done by a transfer of CREDITS on bank books. If the government should issue a paper money and refuse to accept anything else than that money for dues to the government such paper money would be at a premium over gold, if gold were thus depreciated. For if one had to pay the government, and no other money but the government money would pay it, each person would have to get that money, as they once did gold, even if they had to give two gold dollars for one of such paper. The commercial value of silver and gold has nothing to do with its MONEY value. The commercial value of gold, measured by articles of wealth, is very small in Klondike."

Although stated somewhat crudely, this is a populist explanation out and out. Those who have read Captain Ashby's "Money and the Taxing Power" will have no difficulty in seeing that the writer of this answer had a glimpse of the light. But those who have read Marx's "Capital" will be inclined to doubt the Appeal's claims of being a teacher of socialism.

Let us look at the socialist theory. "The value of a commodity is the amount of abstract human labor embodied in it." (Student's Marx, p. 2.) "Gold is now money, because it was previously a simple commodity." (Id., p. 14.) "Gold has become money in consequence of all other commodities expressing their value in gold." (Id., p. 22.) "It (money) is a commodity like the rest, and its value is determined by the labor-time necessary for its production, and is expressed by the quantity of any other commodity that costs the same amount of labor-time." (Id., p. 22.)

Of course, a populist paper like The Independent ought to agree with the Appeal and not with Dr. Aveling's Student's Marx; but how can a socialist paper thus repudiate one of the fundamentals of socialism? How could the "law" have anything to do with the matter, if Dr. Aveling is correct in saying that "gold has become money in consequence of all other commodities expressing their value in gold," especially in view of the fact that "its value is determined by the labor-time necessary for its production." Could the "law" take a piece of copper (labor-time 2) and make it pass on an equality with a piece of gold (labor-time 5)?

And, by the way, where do those "labor crystals" come in? How could a piece of paper containing only one of these be made to pass current with a piece of gold containing ten? Explanation of the explanation is surely in order, Mr. Appeal to Reason.

STANDARD OIL ECONOMY

How Rockefeller's University Professors Burn His Kerosene Writing Hot

J. Lawrence Laughlin, professor of political economy, University of Chicago, contributes a paper on "The Currency Situation" to the November number of "The World Today," which is characteristic of the man—a specious special pleading intended to fool the average man into believing that

"asset currency" notes are not fundamentally different from ordinary bank credits, popularly known as "deposits."

Of course, all will agree that when A "deposits" \$100 with Banker B, the latter becomes debtor to A in the sum of \$100, agreeing to repay the same on demand or at a stipulated time upon A's order. Again, all will agree that when A delivers to Banker B his (A's) certain promissory note for \$100, due 90 days after date, with interest at 'steven per cent, and receives in exchange therefor ten elaborately printed notes of Banker B, each for \$10—then A and B have swapped credits, to the advantage of B and the disadvantage of A.

In either case Banker B is debtor for \$100. In the first the evidence is recorded in his bank ledgers and in the customer's pass book given to A. In the second, the ten handsomely engraved "notes" are evidence of the debt owing by Banker B.

Now, it is well known that, in the first instance, Banker B might loan to C \$75 to \$85 of the hundred received from A, retaining the \$25 or \$15 as a "reserve." C might in turn "deposit" the \$75 with Banker B and get a little pass book. Then Banker B could loan D \$50 to \$60, who in turn would "deposit"—until Banker B could be owing \$400 to \$700 to his "depositors" and have no actual coin but the original \$100 received from A, but having "customer's" notes to make up the difference.

If instead of using pass books as evidence of his debts, Banker B had simply issued his own artistic notes in exchange for those of his customers, Mr. Laughlin argues that the result would be nowise changed. Banker B would owe no more and no less; his customers likewise, but they would use bank notes instead of checks in making payments in their own business. All of which is true in a measure, but purposely misleading.

It must not be forgotten that no check is in the remotest degree a "legal tender" in payment of anything. It is in no sense "money," but an order for money. On the contrary, bank notes usually carry some power of legal tender—they are receivable for taxes even if not good as against judgments. No banker would think of paying one of his customer's cancelled checks in payment of one incoming; but he could pay out and repay, time after time, his own notes as they kept returning to him.

Let us see what difference there could be under "asset currency." Given a bank with \$100,000 capital fully paid up in gold coin. Without a dollar of deposits to begin with, the bank could loan that hundred thousand (less what was used in fitting up the bank) to customers. In the very nature of things a large portion of that gold would find its way back into the bank vaults as "deposits." In course of time the deposits would greatly exceed the bank's capital. So far there has been an inflation of credit due to customers' borrowings and deposits and the use of checks instead of actual coin in exchanges. But—

Now, the "asset currency" feature is introduced. The bank's capital has already been converted into "assets," which is a convenient term for customers' notes. It may now issue \$60,000 in printed bank notes and loan them on customers' notes, the bank notes being a first lien upon the "assets" of the bank. As these bank notes would carry some of the legal tender powers of money, they would, in fact, act exactly the same in ordinary business channels as if the bank had been given without cost \$60,000 in gold coin. And all the borrowing, loaning, depositing, checking out, etc., which took place with the original \$100,000 of the bank's capital could be repeated with this \$60,000 of asset notes.

May we infer that as soon as the bank had issued its \$60,000 in asset notes, that its deposits would shrink \$60,000? That is what Prof. Laughlin wants us to think, but he is too shrewd to say so in so many words. Unless there should be a shrinkage of a dollar in deposits for every dollar of asset notes issued, then the inevitable inflation must take place.

Theoretically the possibilities would be that a 60 per cent inflation could take place; but practically this is not likely, because with asset currency will come a retirement of the "greenbacks," and perhaps a real demonetization of the silver dollar, the object being to replace these in the circulation by asset bank notes.

Prof. Laughlin is working hard for

his Standard Oil masters to "pervert the egoism" of the American people. He is doing a good job of it, too, if we may judge of the number of mullet heads who will read his lucubrations and sagely remark, "Yep. That's so."

Write a postal to C. Q. De France, Lincoln, Neb., for prospectus of "The Old Guard of Populism."

A Wild-Eyed Republican

When Representative Hinshaw, of Nebraska, reached Washington at the opening of the session, fresh from the state so lately redeemed from populism and whiskers, some wag armed him with a card admitting him to the spectators' gallery. This card he exhibited to the doorkeepers, and, being a new member and unknown, was promptly directed upstairs. It was practically deserted when he entered, and, as he looked down on the busy scene, he felt aggrieved that his membership card did not entitle him to the privilege of mingling with the members on the floor.

"Say," remarked the new fledged representative, as he sorrowfully departed from his lonely vigil, "how long does a new member have to be in congress before he is entitled to the privileges of the floor? I want to select a good seat and get to work."

Explanations and apologies followed and Mr. Hinshaw was soon bustling around the chamber. His feeling of homesickness has gradually disappeared, but whenever he glances up at that particular gallery he finds it necessary to repress an involuntary shudder as he recalls his first experience in the national house.—New York Tribune.

SPECIAL MARKET LETTER

FROM NYE & BUCHANAN CO., LIVE STOCK COMMISSION MERCHANTS, SO. OMAHA, NEB.

Cattle: There is a decided reaction from the low market of last week and if feeders will hold out and make their cattle better and not get scared it will boost the market up to where it belongs. Feeders and stockers still keep firm. Fat cattle 20c higher than last week.

We quote choice corn-fed steers at \$4.40 to \$5.00, fair to good \$3.50 to \$4.30, warmed-up down to \$3. Choice heavy feeders \$3.30 to \$3.40, medium \$2.90 to \$3.20, common grades down to \$2.30. Yearling steers choice \$3.50 to \$4.00, others \$3.00 to \$3.25. Good fat corn cows and heifers \$2.40 to \$3. Stock heifers \$1.90 to \$2.40. Canners \$1.25 to \$2.00. Milkers and springers \$2.00 to \$3.50. Steer stock calves \$3.50 to \$4.00, heifers \$1.00 loss. Veal \$4.50 to \$5.50, bulls \$2.25 to \$3.25. Sheep market dull.

	Killers.	Feeders.
Lambs	\$4.50-5.50	\$3.50-4.25
Yearlings ..	3.80-4.25	3.25-3.40
Wethers	3.45-4.00	3.00-3.20
Ewes	2.50-3.00	2.00-2.40

Hog market stronger. Range \$4.30 to \$4.50.

A Winter in Florida

Why not arrange to spend your winter in the land of sunshine and flowers? The cost of a winter sojourn in Florida is so small compared with the benefit you will receive, that you cannot afford to risk your health in the cold, disagreeable winter of the north. Do not get the idea that you can find first class accommodations only at the high priced hotels. As a matter of fact, there are hundreds of medium priced hotel in Florida, where first class accommodations can be secured at rates of \$8 per week, and up.

In arranging for your trip, do not lose sight of the fact that the "Dixie Flyer" route offers you more in the way of a scenic trip from St. Louis to Jacksonville, Fla., than any other through car line from the west. No change of cars between St. Louis and Jacksonville, Fla. The "Dixie Flyer" route reaches such points as Nashville, Chattanooga, Lookout Mountain, Chickamauga Park, Atlanta and Macon. Leaving St. Louis on the evening train via Illinois Central, you reach Jacksonville the second morning in time to make direct connections in Union depot at Jacksonville, Fla., with all diverging lines.

Special round trip winter tourist tickets, which permit stopovers both going and returning, are now on sale, good for return up to and including June 1, 1904.

Write me for handsomely illustrated booklet and detailed information regarding rates, hotel accommodations, itinerary of a trip, etc.

W. H. BRILL, Dist. Pass. Agt., Illinois Central R. R., Omaha, Neb.

Burr & Burr, Attorneys

NOTICE

To Robert C. Raymond, non-resident defendant. You are hereby notified that on the 4th day of December, A. D. 1903, Cathrine Raymond filed a petition against you in the District Court of Lancaster county, Nebraska, the object and prayer of which are to obtain a divorce from you on the ground that you have formed the habit of drinking intoxicating liquors and that you have become and now are a habitual drunkard. You are required to answer said petition on or before Monday, the 25th day of January, A. D. 1904.

CATHRINE RAYMOND,

By L. C. Burr, her attorney.

Sam'l B. Hiams Attorney

NOTICE

In the District Court in and for Lancaster county, Nebraska.

In the matter of the estate of Catherine Clark, deceased.

This cause came on for hearing on the petition of P. James Cosgrave, administrator of the estate of Catherine Clark deceased, praying for license to sell lot numbered nine (9) in block numbered twenty-three (23) in South Lincoln, an addition to the city of Lincoln, Lancaster County, Nebraska, or so much thereof as should be necessary to pay the debts, and expenses of administering said estate, there not being sufficient personal property to pay said debts and expenses. It is therefore ordered that all persons interested in said estate appear before me at the court house in the city of Lincoln, Lancaster county, Nebraska, on the 1st day of February, A. D. 1904 at 10 o'clock a. m. of said day, to show cause why a license should not be granted to said administrator to sell said real estate to pay such debts and expenses, as in his said petition prayed.

It is further ordered that notice of such hearing be given to all persons interested in said matter by publication for four consecutive weeks in The Nebraska Weekly Independent, a newspaper of general circulation in said Lancaster county, Nebraska.

Dated this 16th day of December A. D. 1903.

EDWARD P. HOLMES,
Judge of the District Court.

SAM'L B. HIAMS, ATTORNEY.

Articles of Incorporation of the Pythian Sunbeam Publishing Company.

Be it remembered that the undersigned, Jacob H. North, Samuel B. Hiams, Kent D. Cunningham and Frank J. Kelley of the city of Lincoln, Lancaster county, Nebraska, do hereby in pursuance of the statutes of said state of Nebraska in such cases made and provided associate ourselves together in business as a body corporate in the manner and for the purposes hereinafter mentioned, do hereby adopt the following articles of Incorporation:

Art. 1. The said corporation shall be named and known as The Pythian Sunbeam Publishing Company.

Art. 2. The principal place of transacting the business of said corporation shall be in the city of Lincoln, Lancaster county, Nebraska.

Art. 3. The general nature of the business to be transacted by this corporation shall be the owning, maintaining, conducting, publishing and editing a fraternal newspaper devoted to the interests of the order of Knights of Pythias and for such purpose may purchase, own, lease, sell and convey such property, personal and real, as may be necessary or incident to the main powers of the corporation.

Art. 4. The amount of the capital stock of this corporation authorized is the sum of One Thousand dollars, to be divided into two hundred shares of the par value of five dollars each. At least sixty per cent of said stock shall be subscribed and shall be fully paid up at par upon the organization of this corporation and fully paid up shares of said stock shall be issued to the stockholders thereto and not otherwise.

Art. 5. The highest amount of indebtedness to which this corporation shall at any time subject itself shall not exceed the sum of one hundred dollars.

Art. 6. The date of the commencement of this corporation shall be the 15th day of August, 1903, and shall continue for the period of thirty years.

Art. 7. The affairs and business of this corporation shall be conducted by a board of at least four and not over nine directors, one of whom shall be president, one the secretary, one the treasurer, and one the manager. The board of directors shall be elected by the stockholders from among their own number.

Art. 8. The first meeting of the stockholders shall be upon the day of the organization of the corporation, and thereafter the regular meetings shall be held at the office of the corporation in the city of Lincoln, Lancaster county, Nebraska, on the first Monday in each and every month.

Art. 9. The officers of said corporation on the first year are Jacob H. North, president; Samuel B. Hiams, secretary; Kent D. Cunningham, treasurer, and Samuel B. Hiams, manager, and any two of said officers can be held by one and the same person. They shall hold their offices for the period of one year and until their successors are elected and qualified. Should a vacancy occur in any of said offices or on the said board of directors, the same may be filled by the remaining members of the board of directors, such appointee to hold until his successor is elected and qualified.

Art. 10. At all stockholders' meetings each share of stock shall be entitled to one vote and a vote of a majority of the shares shall in all cases control. Stockholders may vote their share in person or by proxy duly authorized in writing.

Art. 11. The board of directors shall have full power and authority to make all rules and by-laws for the purpose of conducting the business affairs of the corporation and may alter and amend the same at pleasure.

In testimony whereof we have hereunto affixed our signatures this 13th day of August, 1903.

KENT D. CUNNINGHAM,
FRANK J. KELLEY,
SAMUEL B. HIAMS,
JACOB H. NORTH.

In the presence of P. J. Cosgrave,
State of Nebraska, Lancaster County—ss.

Be it remembered that on this 13th day of August, 1903, before me, a notary public in and for Lancaster county, Nebraska, came Jacob H. North, Samuel B. Hiams, Kent D. Cunningham and Frank J. Kelley, to me known to be the identical persons whose names are affixed to the foregoing articles of incorporation, and they severally acknowledged the execution of the same to be their voluntary act and deed for the purposes in said articles expressed.

In testimony whereof I hereunto subscribe my name and affix my official seal the day and year last above written.

P. JAS. COSGRAVE,
Notary Public.

(Seal.)

Homeseekers and Settler's Rates to the Sunny South

On first and third Tuesday of each month to and including April, 1904, Write Jno. M. Beall, A. G. P. A., Mobile & Ohio R. R., St. Louis, Mo., stating to what point you wish rates.

Send a list of "heart of oak" populists to C. Q. De France, Lincoln, Neb.