tion for the army made of Indian corn. I will refer the matter to the Commissary General who will look into the matter.

Very Truly Yours,
R. A. ALGER,
Secretary of War.

Hon. J. Sterling Morton,
Nebraska City, Neb.

REPORT OF THE MONETARY COMMISSION OF THE INDIANAPOLIS CONVENTION. THE CONSERVATIVE has received this valuable work on Monetary reform from the hands of Professor J. Laurence Laughlin of the Chicago University, and the following extract, beginning on page 32, is submitted as terse, sound and instructive:

"There is a clear distinction between the functions of money as a standard of value and as a medium of exchange. While that money which is the standard of value will always serve also as a medium of exchange, yet other forms of currency of inferior market value can in no sense be a satisfactory standard, and can be a suitable medium of exchange only when the convertibility at par into the standard money is assured. Any possible currency is, therefore, of one of two kinds. The first kind is that which has been adopted as the standard of value. The second kind is that which is, without reference to its market value as a commodity, receivable at par, because convertible at par into the standard money. Today gold is the only currency of the first kind. United States notes, national bank notes, silver dollars, subsidiary silver, and minor coins, are currency of the second kind. The face value of the silver dollars, the subsidiary silver, and the minor coins more or less largely exceeds their bullion value, and they differ from the note-issues only in the fact that the material of which they are made has some market value as bullion. Under modern conditions of business, purchases, sales, loans, the discharge of debts, and even payments of wages are effected in great part by drafts, checks, or transfers of credits. While the work which the money, which is the standard, actually performs in the exchanges of the country is relatively small, yet every one of those exchanges is based on that standard. If all the money of the country is convertible at par into gold, there may then be whatever, and as much, of the representative forms of currency as the convenience of the people may require.

"On the other hand, if the standard of value be lowered, there necessarily follows a loss of public confidence, a lessened use of credit and of credit forms of currency, and a consequent diminution of the effectiveness of the currency.

"The gold standard, therefore, does not mean gold monometalism, and it necessarily results, not in contraction, but in the greatest possible expansion of the currency within the bounds of safety.

"As gold derives no value from any legal-tender law, nor any value from coinage at the mint beyond 'the ascertainment that its weight and purity are what the law requires,' and the certifying by the government's stamp that it possesses those qualities, it is, and ought to continue to be, admitted to free coinage. On the other hand, silver, nickel, and copper should be coined only upon government account, into coins of limited legal tender quality; should be issued from the mint only in exchange for gold at par; and should be re-exchangeable at the Treasury in convenient multiples for gold coin at par. Under this system there could be no arbitrary contraction or expansion of the coin currency, nor any tampering with the standard of value, and the people would then carry to their credit in the ledger of the Treasury Department the profits upon the coinage of silver, nickel, and copper.

"Many of our fellow citizens have hoped in all sincerity that the problem of the standard would be solved by international bimetallism. An earnest effort has been made to realize that hope, but it must now be abandoned. The only alternatives, therefore, are the continued maintenance of the existing gold standard, or the adoption of the silver standard. If the latter alternative be taken, the obligations of the United States, of the states, of all municipalities, of all private corporations, and of all individuals, the receipts of income from every source, the proceeds of policies of insurance, the deposits in banks and saving funds, and the wages of labor, will then be payable in a debased and depreciated currency; and individual and corporate bankruptcy, and, worst of all, national dishonor, will follow. If the former alternative be taken, and the necessary means be adopted to secure the stability of the gold standard, the credit of the country will be established; the national debt can be refunded at lower interest rates; the surplus capital of the world will come here to find profitable investment; and our country will enjoy the prosperity that follows a currency system based upon a stable standard of value.

"The means necessary to establish and preserve popular confidence in the continued maintenance of the gold standard are:

1. "An explicit legislative definition of the gold standard, and a pledge that it will be maintained.
2. "A requirement that all obligations, public and private, unless otherwise stipulated in the contract, shall be payable in conformity with that standard.
3. "The adoption of a plan for the gradual retirement of the outstanding note-issues of the government.

"As the gold deposited for certificates cannot be used by the government, and as the issue of gold certificates is of no advantage to the government or to the people, there does not seem to be any reason for their continued issue."

WHAT PROTECTIONISTS DESIRE FOR RAILROADS IN THE UNITED STATES.

(Extract from New York Sun, July 16, 1898.)

The American Railroads against the Canadian Pacific.

The case to be heard by the Inter State Commerce Commission. Privileges enjoyed by the Canadian company denied to American roads. A war that has degenerated into one of destruction.

WASHINGTON, July 15.—The Inter State Commerce Commissioners have set the case of the American Railroads against the Canadian Pacific for a hearing at Chicago, beginning August 1 at 10 oclock. This action is taken in response to the representations made to the commissioners by the representatives of the Western Passenger associations and others, to whom an informal hearing was granted on Wednesday. The commissioners prefix their order notifying each of the railroads interested of the hearing with the following:

WHEREAS, It has came to the attention of the commission that there exists at the present time a contest in passenger rates between the Canadian Pacific Railway company, a corporation of the Dominion of Canada, upon the one hand, and certain American lines and their connections, including the Grand Trunk Railway company of Canada, upon the other, and

WHEREAS, It is charged by the American lines that the Canadian Pacific Railway company has been, and still is, in open violation of the act to regulate commerce, making unreasonably low rates between various points in the United States, not as a measure of legitimate competition, but as a means of retaliation for the purpose of exacting certain unreasonable demands upon its part, and that such illegal conduct on the part of the Canadian Pacific Railway will result, if persisted in, in the utter demoralization of passenger rates over a large portion of the United States and in incalculable damage to the interests of the American lines, all of which is either denied or justified by said Canadian Pacific Railway company; and

WHEREAS, It seems advisable that the commission should be fully informed of the whole situation in respect to passenger rates as induced or affected by the competition of the Canadian Pacific Railway, as above set forth, with a view to determining what, if any, relief can or ought to be applied or suggested, or what action should be taken in the premises."

An unofficial statement of the contention of the American roads is published, with the order of the commissioners. It is as follows:

"The general policy of the United States government for the past generation has been that of protection to its industries, transportation as well as manufacturing, mining and agricultural. To aid its shipping industries, it absolutely prohibited any foreign vessel from participating in the transportation of traffic from one port of the United States to another port in the United States. It frequently occurs that a foreign ship comes into the port of New York with a cargo, discharges it, and then goes to New Orleans for a cargo of cotton for Liverpool. In that case it goes empty to New Orleans. Indeed, it incurs expenses to take on ballast to enable it to get to New Orleans. Now, if it could participate in carrying our traffic, it would cheerfully take a cargo for New Orleans at a nominal rate, but the merchant shipping to New Orleans cannot avail himself of the cheap rates which the foreign vessel could afford, but pays the American shipowner instead whatever the service is worth.

"An exception to this policy of protecting our own industries prevails in