

the treasurer is a payment into the treasury.

If this were not the case, then the depository act would be ineffective, and no bank would be permitted to receive deposits of public money.

But it is also charged that the purchaser of the property is to receive rent at the rate of 4 per cent per annum on the purchase price.

This is true, but Mr. Gage is unable to control that.

In the act of congress already referred to, the secretary was required to offer this rent both as an inducement for intending purchasers and as protection for the government.

This portion of the contract of sale cannot be repudiated—neither would it be for the interest of the government to have it removed.

It needs the custom house; in fact it cannot get along without it, and it is not probable that it could obtain suitable quarters at any less rent.

It is also said that the secretary accepted a part payment when the law as stated by the World-Herald requires the price to be paid in cash, and by this means the purchasers of the property are enabled to escape taxation.

If the editor of the World-Herald had read the act, instead of the mendacious statements of some anti-Gage newspaper, he would find that his assertion is not correct.

It is expressly stipulated in the laws that the purchase price may be paid in several payments from time to time, and this being incorporated in the advertisement, the secretary could not change it, if he had so desired. The provision is a proper one, for if all cash payment had been required, it could easily have been charged that it was a scheme in the interest of parties able to control large cash moneys and by means of which the government was defrauded.

The statement that the bank can evade taxation in the manner indicated, has been denied in congress and I have not seen the denial controverted, but this is not material to the case. If the bank can evade taxation, so could any other purchaser of the property. That would be a circumstance connected with the transaction over which Mr. Gage could have no control and for which he can in no manner be held responsible.

In closing, it should not be forgotten that all of the government deposits in the National City bank are secured by a deposit of bonds, and that the large transactions with this bank are justified by the exceptionally large size of the bank.

Its assets are more than double those of any other bank in the United States; its footings being over \$100,000,000. In addition to this, all money deposited with it on treasury account is subject to withdrawal at any time.

But there exists no more reason for

withdrawing the deposits with this bank than there would be for taking them from any other depository.

### Official Correspondence.

But the most trivial of all the criticism made upon Mr. Gage is that referring to the correspondence he attached to the report he made to congress in response to a resolution adopted by that body.

It is claimed in some quarters—this time "friendly" quarters—that he should have culled from this correspondence anything which could be made to reflect upon his party or any of its prominent supporters, and it is even asserted—but probably without any basis of truth—that the president himself joins in this opinion. A politician would perhaps have adopted this course, but a law-abiding and law-honoring business man like Mr. Gage would not for an instant tolerate the suggestion.

It was his duty to supply congress with just what it demanded.

If anything had been held back, it would have been a virtual confession of wrong doing.

The correspondence referred to are the letters from President Stillman and Vice-President Hepburn of the National City bank, in one of which plea is advanced that preference in the matter of public deposits should be given to that institution in view of the services rendered the party in the campaign of 1896 by some of its directors.

And after all there is nothing so very serious in these letters.

Bank managers like the managers of any other business enterprise, conceive it their duty to pull every string that will advance the interests of their banks.

The treasury files, during both democratic and republican administrations, are doubtless loaded with similar epistles, and in the present instance, the futility of some such demand may supply the animus of the attacks upon Mr. Gage, made by men and newspapers belonging to his own party.

The democratic press very naturally seizes upon the Gage incident with the view of making political capital out of it, but it will, I think, prove somewhat of a Spion Kop for the party.

It would be much better policy to defend a faithful public servant, rather than join in an unholy crusade against him.

Of course my opinion will be weighed lightly as my democracy is not of the present brand, but Mr. Sibley's defence in congress of Mr. Gage should at least be received with some consideration.

The business men of the country whose views are most likely to be affected by this matter, can easily distinguish between right and wrong—while the man who will accept as truth without inquiry whatever he is told to believe, is a man whose vote is already

safe for the side he believes in and needs no further persuasion.

HENRY W. YATES.

### POLITICAL.

The bimetallic section of the senate finance bill is denounced by the Baltimore American (rep.) as "a mischievous addition. The purpose of the financial bill is to settle the currency question," it says, "but the amendment is in the other direction."

"If congress will hit a few specific trusts like those of paper, tin and copper by a prompt taking from them of the protection given them by high tariff duty, it will teach swift instruction to all other trusts, and you will see how soon they will abate their pretensions," says the Keokuk Gate City (rep.). "The republican party will not have the shadow of a chance to carry the presidential election of this year if this republican congress leaves all the cormorant trusts preying upon the American people next November as they are now."

"Would our foreign trade under a system of tonnage bounties increase more rapidly than under the present system, and would the increase possess the elements of stability that would enable it to survive after government aid is withdrawn?" questions the Chicago Times-Herald (rep.). "The experience of France has been that the greater the bounty given the greater became the need of government aid, and every attempt to withdraw the aid has been quickly followed by increased subsidies in order to prevent retrogression and ruin."

"The attitude of these protectionists really is that we acquired Puerto Rico, not for the benefit of its own people, but that we might use it for our own selfish ends," criticises the Boston Herald (ind.); "and, indeed, not for the selfish ends of our people as a whole, for these would be found in free trade with Puerto Rico, but for the selfish ends of a small portion of our people who fear that the profits of their production will be injured by free trade. This all proceeds from the attempt to apply a vicious principle, and to apply it in more than one sense."

"The situation in Kentucky exemplifies anew the evils of bossism in politics," comments the Baltimore Sun (dem.). "There is an irreconcilable conflict between good government and bossism, and until the people of Kentucky put an end to political despots they will always be exposed to the intrigues and the lawlessness of desperate men. But violent measures are not necessary. Honest election laws, enlightened public sentiment, and independence in voting will destroy any boss system that was ever devised to thwart and nullify the will of the people."