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**LOUIS F. POST, Editor.**

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How true it is of many people who say they want good government, especially the self-styled "better element," that what they really want is their own instead of the other fellow's favorite brand of bad government.

Surely no one has forgotten the agitation for tariff protection on tin plate. It was to be for the benefit of the workingmen, you understand. Keep out foreign tin, build up American plants, give work to American workmen, pay good wages. That was the altruistic scheme. The tin men got their tariff and formed their trust—the latter outcome was not mentioned when they were prospecting for protection—and now behold! The tin plate trust demands, under threats of closing down, that the labor union accept a reduction of 25 per cent. in wages so as to enable this trust to meet the terms which the Standard Oil trust offers for a large order of tin plate. One would suppose that the workingmen might have got the cut in wages without going to the trouble of voting for a tariff on tin plate.

It is announced from Washington that President Roosevelt has ordered his cabinet to follow his example and take the stump this fall. Even poor Attorney General Knox, who has never made a political speech in his life, out of court, is required to "select some appropriate occasion for his debut, and will talk about the trusts." Imagine Knox making a public speech on trusts, and being asked questions! This is a commendable departure on Mr. Roose-

velt's part. It is candid. Heretofore, in recent years, when the President and members of his cabinet have made party speeches they have done so under cover of some reception or other, nominally as public officials and not as partisans. Mr. Roosevelt and his cabinet are to be credited with throwing off this mask and appearing without pretense as party spellbinders upon the party stump. But hold a minute. Since the foregoing lines were put in type Mr. Roosevelt has expressed his displeasure at the announcement. According to the Associated Press, these speeches will only be made upon non-partisan invitations, and while they "will be along Republican lines, so far as they may relate to politics, they will not be political speeches." Same old mask.

There is a striking fact about the call which the Russian czar makes for an anti-trust conference in Europe. The complaint is the low prices at which the American trusts sell goods in Russia. This exposes the animus of the Russian anti-trust movement. The object is to exclude American trusts from the European market. It is in line with legislation against "bounty-fed" sugar. America feeds her trusts, not with bounties, but with a protective tariff, so that they can sell dear at home and cheap abroad. This they do. Home consumers pay high prices for protected American goods, while foreigners get them for low prices. But Russia, with the common but mysterious objection to getting dear things cheap, will have none of this. Hence the European anti-trust conference.

Senator McLaurin, of South Carolina, is to be credited with unexpected sensitiveness. He declines the office which President Roosevelt of-

fers him as a reward for party treachery. It is to be regretted, however, that he declines it not because he shrinks from accepting a political reward for political treachery but because he shrinks from being criticized for doing so. When the reward was offered him, he announced his intention of accepting it. Not until criticism set in did he decline. Unfortunately for Mr. McLaurin he had already allowed the matter to go too far for his own reputation. He might have voted against his party in the Senate, as he almost habitually did on vital questions, without incurring moral censure, had he given reasons for his change of faith. But he gave no reasons. He supported the administration with votes that counted, not with speeches that explained. It was rumored at the time that President McKinley would reward him by an appointment to the bench of the Court of Claims. Senator Tillman distinctly charged it. And now President Roosevelt, who is carrying out his predecessor's bargains, has offered that very appointment. McLaurin himself told about it and said he intended to accept. But the circumstantial evidence of a bargain was too plain. He dared not face the criticism when it opened. Criticism he could stand, if it were unfounded. Guilt he could stand if it were not criticized. But the two together were more than he could bear. So he calls off the bargain after having performed his part of it.

According to the financial reports of the current month—

for some time England, Germany, and to some extent Paris, have been lending money in the American markets. Nobody can tell how much. It would require the authority of all these governments and a very microscopic examination under oath before it could be learned whether the amount is

fifty millions, as some assert, or one hundred millions, as others claim.

It is now in order for Mr. Austin, of the statistical bureau in the treasury department at Washington, to explain why the United States becomes a borrower if its excessive exports are to be accounted for by regarding it as a lender. When a nation's merchandise exports are in perennial excess of its merchandise imports, when its exports of silver also largely exceed its imports of silver, when its gold imports are but slightly in excess of its gold exports—not nearly enough to make up for the excessive exports of silver alone,—and when on top of all this it is a large borrower in the world's money markets where it ought to have an abundance of drafts for sale if excessive exporting is indeed profitable, what are we to think about our much vaunted "export trade" and our enormous "favorable balance"? It begins to look more than ever as if the "favorable balance" were an "unfavorable drain."

Mr. Cleveland's secretary of the interior, Wm. F. Vilas, of Wisconsin, sends out a clarion call to the Democratic party to make hostility to protection the national political issue. Mr. Vilas says many good things on this question. He tells us, for instance, that if we would strike down the trusts, we must aim our "stroke at the root of the poisonous tree," and that Democracy offers "the highest uplifting of individuality and of every right of the individual man, peculiarly his right to hold and enjoy all the honest fruits of his industry, brains and personal achievements;" and then he declares:

The victory to be won which alone is worth winning is the overthrow of the grand central, governing conspiracy of protection. When that "crowning mercy" shall be vouchsafed, the very purification of the nation's soul by the fires of the strife will easily enable it to subdue the lesser forms in which Satan is embodied in our national life.

All this is excellent. So is much more of the same tenor. There is no

fault to find with what Mr. Vilas says. The weakness of his clarion call is in what he doesn't say. He doesn't say what he means by this thing called "protection," which he describes as "the grand, central governing conspiracy" that gives vicious vitality to the trusts. Does he mean to kill the trusts by reducing the tariff 20 per cent. or thereabouts? If that is what he means by fighting protection, it is not strange he doesn't specify. Mr. Vilas has no ambition to shine as a comedian. Does he mean to kill the trusts by abolishing the protective tariff on trust-made goods? That would truly be a good starting point for popular education on the subject of protection; but as a legislative measure wouldn't it be like taming birds by putting salt on their tails? You must first catch your trust-made goods. Or does he mean to kill the trusts by coming down to tariffs for revenue only? Surely Mr. Vilas is hardly so simple as to suppose that the trusts would not be able to distribute such a tariff so as to make it incidentally protective, and at the first favorable opportunity to get men into Congress who would restore the protective feature in its fullness. With a tariff for revenue only, protection would never cease to be an issue.

Even if the tariff were wholly abolished and we had free trade, the trust question would not be disposed of. While protection plays a large part in making the monopolies upon which trusts rest and thrive, it is not the only factor and is very far from being the central one. What about the monopolies of terminal facilities? What about the monopolies of transportation? What about the natural monopolies, such as the Mesaba iron mines and the Connellsville coal deposits? What about the almost countless acres of land of all kinds, mining land and building land and forest land as well as farming land, which are monopolized but held idle, where-by labor is made a drug in the mar-

ket? Here are obstructions to free trade which count infinitely more than tariff protection, obstructive as that is. Here are basic monopolies for trusts with which tariff protection cannot compare. Does Mr. Vilas propose an assault upon these evils when he summons the Democratic hosts to attack protection? If he does, let him say so. The Democrats have had enough of party policies expressed in weasel words and phrases.

The Richmond Times, a Democratic paper of the plutocratic breed, asks a question. We quote it:

Now, suppose in the convention of 1904 a good democratic platform is formulated and adopted in which the party commits itself to sound money, or, if you please, to the gold standard, and nominates David B. Hill or Grover Cleveland for the presidency. Under these conditions will Mr. Bryan support the ticket?

Everybody ought to be well enough acquainted with Mr. Bryan's character by this time to know that he would not remain as Hill said he did—"a Democrat still—very still,"—and that if he bolted, as Cleveland did boldly and Hill otherwise, he would not afterwards want to come back and boss the party he had helped defeat, as both Hill and Cleveland do. Should Bryan follow the example set by Hill and Cleveland, and abandon the Democratic party, he would have followers enough to be under no temptation to try to get back into it again.

Senator Hanna and his political and monopoly satellites have managed to get his home city of Cleveland into a picturesque tangle. He began by backing legal proceedings to declare unconstitutional the charter of the city which his own party had framed and under which his own party had flourished. Not until a Democratic mayor with democratic principles had got into office and proceeded to administer the law equitably against Mr. Hanna's special privileges, did that distinguished senator find it convenient to attack the constitutionality of the Republican charter of Cleveland. When

he did attack it he brought down an avalanche of a decision which invalidates every city charter in Ohio, all enacted by Republican legislatures, and all the cities of the state are in a turmoil. That it was he who did it the successful lawyer in the case now confesses, saying that Mr. Hanna's object was to knock out Tom Johnson. Out of this situation Mr. Hanna is now trying to secure a Hanna municipal code, one which will put all the cities of Ohio under the control of state boards. Meantime, however, the city of Cleveland, having under way a 3-cent fare street railway the construction of which Mr. Hanna managed to stop by an injunction resting upon a thin technicality, has taken the preliminary steps toward granting a new 3-cent fare charter which would avoid that technical objection. And now comes Mr. Hanna again—this time back of the attorney general he nominated to displace Attorney General Monett who, by refusing a bribe, had become persona non grata to the Standard Oil trust—and gets an injunction prohibiting the city council of Cleveland from granting street car franchises. He asks for this injunction on the ground that as the city charter is unconstitutional the city council is not a legal body. Senator Hanna is either playing a low hand for high stakes in a losing game, or the people of Ohio are really what he takes them for.

Rebecca J. Taylor, whose discharge from a government clerkship for political reasons was noted a few weeks ago (pp. 147, 151), has brought mandamus proceedings, based upon the civil service law, to compel her reinstatement. Whether she succeeds or not, she will at least render a public service in putting distinctly upon record the Pecksniffianism of certain vociferous civil service reformers. Miss Taylor's offense, it will be remembered, consisted in publishing a newspaper article criticizing the political policy of the administration with reference to the

Philippines. There has been no pretense that she was not an efficient and faithful clerk. The rather thin explanation that the publication of letters by clerks criticizing political policies is not a political but a clerical offense, is torn to threads by Miss Taylor in a published statement of the 21st in which she writes:

It cannot be possible that officials, such as one of the civil service commissioners, may be permitted to make public addresses in advocacy of the so-called Philippine policy and a humbler employe of the service like myself denied the right of publicly opposing that same policy. If these distinctions are to be permitted then is it not clear that an administration may practically use the whole force of civil service employes to strengthen its position of power, either by converting them into active exponents and supporters of its policies or negatively by silencing every person among them who is opposed to its policies? Surely it never was intended that a person in entering the government service of the United States should surrender his rights as a citizen, among them the right of holding and expressing political and religious opinions.

Miss Taylor's case is not a mere quarrel in connection with the routine of a Washington department. It is one of the characteristic incidents of the imperial policy, as is shown by *The New Age*, of London, one of the able democratic papers which Great Britain's policy of imperialism has brought into useful prominence. Referring to Miss Taylor's case *The New Age* says:

Here is another instance of the detestably mean and cowardly methods of imperialism. It knows its weakness; knows that its sole reliance is on the suppression of discussion, the bamboozling of the public. The imperialists pay an involuntary homage to truth by "chucking Miss Taylor out of her clerical chair into the street." They dread lest even a few articles written by Miss Taylor should upset all their abominable campaign of lies, fraud, concealment, plunder, and murder. All over the world it is the same. Imperialism must forever rest on the negation of all that differentiates man from the beasts of prey. It rests on infamies and can rest on nothing else. Its methods are devastation, murder, concentration camps, courts-martial, the "water cure," hangings and shootings in the presence of the friends of the murdered man, the killing of "everything over ten." Its instruments

are farm-burning generals, "Hell-roaring Jakes," the Morants and Handcocks of ruffianism. It dares not let a Miss Hobhouse come within a thousand miles of the scene of its crimes; it dares not let Miss Taylor criticize the means by which President Roosevelt is "helping the people of the Philippines along the difficult path leading to self-government."

Speaking of the "water-cure," by degrees the truth about that barbarism is leaking out. The latest contribution to the fuller and better public knowledge of the subject which the President and his two friends, Root and Lodge, are doing all they can to suppress, is made by Col. Stephen Groesbeck, an army officer just home from the Philippines. There is no sentiment about Groesbeck. He believes that the "water-cure" is a good thing, and makes no secret of the fact, which worries the administration, that it has been in general and extensive use by the American army in the Philippines for the purpose of extorting information from its victims and their friends. Now this is precisely as the unofficial reports from the Philippines have had it all along, and it is precisely what Roosevelt, Root and Lodge deny. A few more boasting blabbers like Groesbeck, and the administration will have to change its defense. Instead of admitting that the water-cure is inhuman but insisting that to "the honor of the army" it has not been generally practiced, the President will have to admit that it has been generally practiced but insist that to "the honor of the army" it is not inhuman.

The absurdly inadequate punishment of Gen. Smith, upon which we commented last week (p. 227), is now supplemented with that of Maj. Glenn. Although convicted of administering the water torture, Glenn's loyal companions in arms have agreed, for "the honor of the army," to fine him \$50 and give him a vacation of 30 days! In the light of this sentence and that of Gen. Smith, the anti-imperialist speeches in the

Senate, the shocking evidence of the brutal water torture given before the Senate investigating committee, and the whining plea of the imperialists for silence "for the honor of the army," will make altogether very interesting and instructive campaign reading.

### THE FOWLER BILL AND THE MONEY QUESTION.

#### I.

Mr. Bryan's enemies in both political parties are working industriously to make the people believe that the money question was settled when Bryan was defeated. They are at the same time working as industriously, though much less noisily, to secure the enactment by Congress of what is known as the Fowler banking and currency bill, which specifically prescribes a stupendous financial revolution.

Going beyond the question of bimetalism at the old ratio of 16 to 1—the only phase of the money question that can possibly be considered as having been settled by Bryan's defeats—the Fowler bill would abolish all bimetalism, would retire all silver money, would cancel all greenbacks, and, besides making gold the only legal tender, would establish a government banking system in private hands and for private profit with far-reaching ramifications and enormous political power—a banking system similar in character and design, and even more dangerous to the public interests, than the United States Bank which the people under Jackson's lead deliberately decided to banish.

When was the money question so settled as to authorize this revolutionary measure?

Granted, if you please, that the question of coining silver and gold at the ratio of 16 to 1 has been decided adversely to that ratio. It is a rash concession, as the political wiseacres would speedily discover should a financial storm burst upon us. But grant it. Yet this was only a superficial and temporary expression of the money question. Its defeat was not, therefore, a defeat of the financial principle for which Bryan stood and stands. The essence of the money question, so far

from being a particular ratio of silver money to gold money, is money monopoly; and whatever seems at any time to promote money monopoly may for that time be a money issue.

Mr. Bryan believes that for the prevention of money monopoly bimetalism is necessary. In this respect his views are sustained by leading students of finance. They were also embodied in the Democratic platform of 1880, which demanded "gold and silver" money; in that of 1884, which declared for "the gold and silver coinage of the constitution;" and in that of 1892, which held "to the use of both gold and silver as the standard money of the country;" as well as in the Chicago platform of 1896 and the Kansas City platform of 1900, which demanded free coinage of both metals at 16 to 1. He is supported also by the Republican platform of 1888, which favored "the use of both gold and silver as money;" and by that of 1892, which in terms favored "bimetalism." Believing that bimetalism is necessary to prevent money monopoly, he fought in 1896, under the circumstances of a low production of gold as compared with silver at that time, for the ratio of 16 to 1. If the growing plentifulness of gold were to reach the point of turning the affections of the great financial interests toward silver as the dearer, and therefore from their point of view the better money metal, consistency alone, if nothing else, would for the time make Bryan "a gold man" in the same sense in which in 1896 he was "a silver man." For with reference to money of final redemption he is an advocate of abundance, whereas the great financial interests are advocates and promoters of scarcity.

The money question, we repeat, is in the final analysis not one of ratios, nor of gold, nor of silver, but of the supply and ready availability of legal tender in sufficient volume to make money monopoly impossible. It is a question between those on the one hand who want the money system adjusted for the common good, and those on the other who want to adjust it for the special benefit, behoof and profit of rings of monopolists. That question has not been settled yet. But it will be settled, at least until the avenging Nemesis appears, if the Fowler bill is enacted. And the Fowler bill will be enacted if a Republican or a "re-

organizing" Democratic Congress is elected this Fall.

#### II.

The Fowler bill was introduced in the lower House at the recent session of Congress by Charles N. Fowler, the Republican representative from the Eighth district of New Jersey. Mr. Fowler is a banker, and in Congress is chairman of the committee on banking and currency. This committee is composed of 11 Republicans and 6 Democrats, whose names may be found at page 210 of the Congressional Record for 1901-02. Mr. Fowler first introduced the measure in one form of bill in March, when it was referred to his committee (Congressional Record, p. 2757). He introduced it in another form on the 3d of April, and this bill also was referred to his committee (Congressional Record, p. 3865). On the 4th of April he introduced it in a third form; and the third bill, like the others, was referred to his committee (Congressional Record, p. 3918). Each of the three bills bore the same title, namely:—

A bill to maintain the gold standard, provide an elastic currency, equalize the rates of interest throughout the country, and further amend the national banking law.

The third of these bills is the one under consideration. It is numbered 13,363, and was reported back to the House favorably and without amendment by Mr. Fowler's committee on the 5th of April (Congressional Record, p. 3959), the day following its introduction.

Accompanying the bill when it came back from the committee was an extended report urging its passage; and both bill and report were thereupon referred by the Republican majority of the House to the committee of the whole. This leaves the bill in convenient position to be taken up and put upon its passage if the Fall elections yield favorable results.

As reported to the House and ready for enactment, the Fowler bill may be summarized as follows:

Section 1. Creates a "division of banking and currency" in the treasury department, under the charge of a "board of control." The board consists of three members, appointed by the President, confirmed by the Senate, and removable only for cause stated in writing. The term of office of each member is 12 years, though the first three hold office for four, eight, and twelve years, respect-

ively, so that one old member may always go out of office and one new member come in every four years. The salaries of the board, to be paid by a fund to be maintained by national banks, are \$7,500 each.

Sec. 2. Any national bank which undertakes to redeem United States notes equal to 20 per cent. of its paid-up capital, may issue national bank notes, without depositing security therefor, as follows:

(1) Immediately (subject to a semi-annual tax of one-eighth of one per cent. on its average actual circulation thereof until it has redeemed all United States notes it has undertaken to redeem, and thereafter a tax of five-eighths of one per cent.), an amount equal to one-tenth of its paid-up capital;

(2) after one year (subject to the same tax rate), a further amount equal to one-tenth of its paid-up capital;

(3) after two years,—

(4) after three years,—

(5) after four years, and—

(6) after five years (subject to a semi-annual tax of five-eighths of one per cent. on its average circulation thereof), a further amount for each of these years of ten per cent. of its paid-up capital, making after the fifth year a total unsecured note issue of 60 per cent. of paid-up capital;

(7) after six years (subject to a semi-annual tax of 1½ per cent. on the average actual circulation thereof), a further amount equal to one-fifth of its paid-up capital, provided the "board of control" approves;

(8) after seven years (subject to a semi-annual tax of two and a half per cent. on the average actual circulation thereof), a further and final amount, equal to one-fifth of its paid-up capital (making in all 100 per cent. of its paid-up capital), provided the "board of control" approves.

The undertaking to redeem United States notes is to be in the form of the following indorsement by the bank upon each note: "For value received the [name] National Bank of [city], [state], will currently redeem this note in gold coin until the same has been paid and canceled in accordance with the provisions of law." Notes so indorsed continue to be full legal tender, except for duties on imports and interest on the national debt, and are to be redeemed as now at the treasury; but when so redeemed the bank which has indorsed them must, upon demand of the secretary of the treasury, transmit to the treasury gold coin in exchange therefor. And whenever a national bank presents United States notes to the treasury, with a view to so indorsing them, it

must at the same time surrender, in exchange for gold coin, an additional amount of United States notes equal to one-half the amount it offers to indorse. The notes so surrendered must not be reissued, but must be canceled and destroyed.

Section 3. When the national banks indorse \$130,000,000 of United States notes, and surrender for cancellation in exchange for gold \$65,000,000 more, no national bank may thereafter pay out any United States notes not so indorsed, but shall surrender to the treasury, in exchange for gold coin, all unindorsed notes coming into its possession, and the surrendered notes must forthwith be canceled and destroyed. Meantime, the gold reserve fund of the treasury must be kept at not less than 33 1/3 per cent. of the United States notes outstanding, and no gold certificates shall be paid out or issued.

Section 4. After the indorsement of \$130,000,000 of United States notes and the cancellation of \$65,000,000, as provided above, the right to issue national bank notes without security shall be open to national banks that have not undertaken to redeem United States notes, upon the terms provided in section 2, except that they must pay upon the first 20 per cent. a semi-annual tax of five-eighths instead of one-eighth of one per cent.

Section 5. All banks issuing national bank notes are required to deposit in the treasury of the United States bonds or gold coin or both, equal to five per cent. of the notes taken out.

Section 6. The government is to furnish national bank notes at the expense of the banks, denominations to be ten dollars and multiples thereof.

Section 7. National bank notes are the first lien on the assets of the issuing banks respectively; and they are to be taken at par by all national banks, also by the government except for duties on imports.

Section 8. Circulation of each national bank is limited to its paid-up capital.

Section 9. National banks having notes outstanding under the present law may deposit lawful money for their redemption and take out notes under this act without reference to the limitations as to amount of monthly issue under existing law.

Section 10. The secretary of the treasury is "authorized in his discretion to deposit all the money of the United States in excess of \$50,000,000, except that in the issue and redemption division of the treasury, in national banks, upon the condition that said banks shall first deposit in the United States treasury United States bonds equal in amount at par to the sum to be so deposited," the banks to pay interest on the average balances semi-annually,

at the rate of one per cent. per annum. But "such banks shall not be required to hold any reserve against such deposits."

Section 11. All the deposits required by section 5, all the money received for taxes on bank note circulation (except as by the act otherwise appropriated), and all interest upon deposits of United States funds with national banks, are to constitute a "guaranty and redemption fund" for—

(1) the payment of the notes of banks that fail, these payments to be recovered, however, from the assets of the failed banks;

(2) The cancellation of United States notes indorsed under this act by the banks, such cancellation to be made out of accumulations in the guaranty and redemption fund in excess of ten per cent of all national bank notes taken out, provided that this use of the fund does not reduce it below \$5,000,000.

Section 12. Out of the guaranty and redemption fund, also, United States notes indorsed by banks that fail or liquidate may be paid, provided this does not reduce the fund below ten per cent. of the national bank notes taken out, nor below \$5,000,000.

Section 13. When the United States gives notice that it desires to redeem any particular notes indorsed by banks, no national bank may thereafter pay out such notes, or hold them in its reserve, but they must be returned to the treasury for cancellation.

Section 14. When all the indorsed United States notes have been canceled, the taxes on bank notes shall thereafter be one-eighth of one per cent. per annum upon the circulation, up to 60 per cent. of the capital of the issuing banks, respectively, and all accumulations in the "guaranty and redemption fund" in excess of ten per cent. of all national bank notes taken out shall be paid into the general fund of the treasury.

Section 15. The "board of control" may grant 20-year charters to clearing houses with authority, in addition to the usual functions of clearing houses, to issue certificates for gold coin deposited with them, such certificates to be furnished by the government at the expense of the banks, and to be receivable for customs, taxes and all public dues, and to be used by national banks as part of their reserve. It is to be a crime to allow these certificates to circulate unless they are fully covered by gold coin deposits.

Section 16. The "board of control" must divide the country into clearing house districts, with one clearing house city in each, for the redemption of national bank notes,

and any bank taking out circulation must belong to one of these districts, and its notes must bear its distinctive number; but it may have an agency of its own in each district for the redemption of its notes.

Section 17. National bank notes must be redeemed by the issuing bank in gold coin on demand.

Section 18. When one bank receives notes of another located outside of its own district, it must not pay them out unless the issuing bank has a redemption agency in that district, but must forward them to some bank in the district to which the notes belong, or to the clearing house or to some bank located in the clearing house city of its own district, and then they must be returned to the issuing bank or to the clearing house or to some bank in the clearing house city of the district of the issuing bank.

Section 19. From and after July 1, 1907, all national bank notes secured by United States bonds and being redeemed by the treasury department shall be redeemed only at clearing houses or at national banks in clearing house cities and the United States shall no longer be responsible for redemption except in case of failed banks.

Section 20. Amends the existing law so as to enable every national bank in fixing its location, to name "the places where its banking operations are to be carried on, designating the particular villages, towns, cities, counties, states, territories, districts, possessions and foreign countries," but makes it a condition of establishing "branches in the possessions of the United States and in foreign countries," that the bank soliciting this privilege of "the board of control" must have a paid up capital of not less than \$5,000,000.

Section 21. Every national bank must have an agency for the redemption of its notes in gold coin in the clearing house city of every clearing house district in which it has a branch.

Section 22. The secretary of the treasury is authorized, in his discretion, to coin all the silver bullion in the treasury, and to recoin silver dollars into subsidiary coins. He is forbidden to deliver any bank note in denominations lower than twenty dollars, and any silver certificates in denominations higher than five dollars; and he must substitute silver certificates of five dollars or less for outstanding ones of higher denominations. He is required also to keep a fund in gold coin equal to five per cent. of outstanding silver dollars, and in order "to maintain at all times at parity with gold the standard silver dollars of the United States," he is "required, at the demand of the holder, to exchange gold coin for stand-

ard silver dollars when presented to the treasury of the United States in sums of \$100 or any multiple thereof." To do this he may use the gold reserve, holding the redeemed silver dollars as United States notes redeemed in gold are now held.

Section 23. The powers of the comptroller of the currency and the treasurer regarding national bank notes are extended to the board of control.

Section 24. Repeals inconsistent laws.

So the sum and substance of the Fowler bill is this:

By sections 2, 3, 4, 13 and 14, the greenback circulation, now amounting to \$346,000,000, and fixed by law at that minimum, is to be gradually but speedily called in and cancelled.

By section 22 silver is to be divested of its legal tender quality and transformed into a government obligation redeemable in gold.

By sections 2 to 9 and 17, the consequent contraction of legal tender, by an aggregate amount of \$850,000,000, is to be loosened by means of national bank notes; to give national credit to these notes they are not only to be a first lien on the assets of the issuing banks, respectively, but their redemption in gold is to be insured by a national "guaranty and redemption fund," made up of insurance premiums paid by the banks and administered by the government; they are to be receivable by all national banks, and by the government itself except for duties; the banks may take them out in their own discretion, subject to a moderate tax, at the annual rate of not more than ten per cent. of their paid up capital to the limit of 60 per cent. of that capital; the taking out of 40 per cent. more is to be subject to heavier taxation and the approval in each case of a government "board of control," which may grant the privilege to some banks while denying it to others; and they are to be always redeemable by the banks on demand in gold.

By section 10, nearly all government moneys would be deposited in national banks selected by the secretary of the treasury, and those banks be thereby made financial agents of the government after the manner of the old United States bank, except that the national banks would give security and pay one per cent. interest.

By sections 15, 16 and 23, the board of control, which would govern the national banking system, is

to charter clearing houses interlocking the whole system, and these clearing houses may issue certificates of actual gold deposits, dollar for dollar, the certificates to be a full legal tender for all government dues.

By section 20 any of the banks in this interlocked system of national banks may establish branches wherever they please, subject to the approval of the government board, except that none will be allowed to establish branches in foreign countries or in American "possessions" unless it has a paid up capital of not less than \$5,000,000.

There are, therefore, three general characteristics to this revolutionary bill. It reestablishes in principle the old United States bank, of unsavory memory; it reduces legal tender to gold coin; and it farms out the currency issuing function of the Federal government to financial corporations.

### III.

The contest over the United States Bank, which the Fowler bill virtually revives, began with the first Congress, upon a proposition by Alexander Hamilton to establish a national bank as the financial agent of the government. The issue turned upon the constitutionality of the measure. The strict constructionists argued that even if such a bank would be a convenient appendage to the government, it was not necessary and consequently could not be constitutionally chartered by Congress. The loose constructionists contended, on the other hand, that the power to legislate for the collection of revenues carried with it the power to charter a bank for aiding in that purpose. This argument prevailed in a Congress with loose construction tendencies, as it did with President Washington, who inclined in the same direction. So both Houses passed and the President signed a bill chartering the Bank of the United States for 20 years.

This institution, the financial agent of the United States, acquired so much power that it was able almost to sway Congress when its charter was about to expire. The Congress of 1810-11 was no longer Federalist, but strongly Republican (now known as Democratic), yet it came within an ace of acceding to the arrogant demands of the bank for an extension of its charter. The bank succeeded so far as to secure a favorable report

from the committees in both houses, and was defeated in the lower House by only one vote and in the Senate by the casting vote of Vice President Clinton. Having failed to secure a renewal of its charter, it wound up its affairs and passed into history without having justified its existence otherwise than by nearly subjecting the United States to the dominion of a huge financial monopoly even at that early day. But the financial interests did not despair. They were soon at work striving to get a charter for a new bank of the same dangerous character.

In this the war of 1812 efficiently aided them. The British had captured Washington and thrown the whole country into a panic of fear; while the national treasury, in need of extraordinary funds for the prosecution of the war, was literally bankrupt. In these circumstances, a petition for the establishment of a United States bank to regulate the currency and assist the government in its financial straits was favorably received, and at the session of 1815-16 the second Bank of the United States was chartered for 20 years.

It was over the question of extending this charter that the historic contest between Jackson and the money mongers of his day occurred. Jackson realized the tightening grip which this monopoly bank was getting upon the commercial interests and the political institutions of the country; and in his first message, that of 1829, he opened war upon it. The fight thus begun was long and bitter, and the history of it is intensely interesting. It is one of the landmarks of American progress.

In his message of 1831-32 Jackson attacked the bank again, and now the financial ring knew that it must fight for its life. It accordingly assumed the offensive and applied that winter, four years before the expiration of its charter, for a renewal.

So completely was Congress under the coercive power of this money monopoly of the 30's, that it promptly granted the demand for an extension. But Jackson vetoed the bill, and powerful as the bank ring had become, it was not powerful enough to force Congress to override the veto.

Jackson then proposed the sale of the government stock in the

bank and the cessation of government deposits. His proposition was defeated in both Houses, and the bank question went to the people. Being triumphantly reelected, Jackson rightly regarding that as a popular endorsement of his anti-bank policy, justifying him in refusing to make further government deposits in the bank. This he did, and the bank retaliated by calling in its loans.

Jackson was censured for his action by the Senate at the session of 1833-34; but the House committee reported in his favor and the House tabled the Senate's resolution of censure. This virtually ended the fight, for it was now evident that the bank charter would not be extended. The second United States bank, therefore, went out of existence in 1836, after demonstrating, like its predecessor though more dramatically, how dangerous to popular government such an institution can become.

An attempt to revive it was made in 1841. Congress actually passed a bill incorporating the Fiscal Bank of the United States, but President Tyler vetoed the bill, and its promoters were not strong enough to override his veto. Since then the government has maintained the independent treasury system, with sub-treasuries at different financial centers.

But now the old United States bank scheme for manipulating the finances and making the government the very obedient servant of a powerful financial trust revives in the Fowler bill.

Under the Fowler bill it would not be one bank with government directors and branches scattered over the country. It would be worse. With a combination of banks having branches at the remotest points, governed by a government "board of control," which in turn would be governed by a banking ring with the power of making and unmaking personal fortunes and political careers, the Fowler system would be as much worse than the old United States Bank system as the banking capital at the command of the one would be greater than that at the command of the other.

In the Fowler report an able argument is made for free banking. In the main it is an argument that we are in no wise inclined to reject. If men were to be left free to estab-

lish banks as they wish, with no more interference than may be necessary to prevent fraud; if they were to be free to issue their notes to whomsoever would take them; if they were to be free to establish branches wherever they chose, simply as grocers are free to establish branch stores—if that were the purpose and were to be the effect of the Fowler bill, it might be hailed as another step in the direction of economic liberty. But that is not the purpose and that would not be the effect. The report implies it, but it is not true. The purpose and effect is not to establish free competitive banking, but in the name of free competitive banking to establish government fostered banks in private hands. These banks, which could be and would be managed as one by orders from headquarters, are to be backed by government prestige, yet controlled by private interests—and by private interests, at that, which not infrequently flourish best upon public disaster.

#### IV.

One of the privileges which the Fowler bill would confer upon this aggregation of banks is the government function of providing a national currency.

When we call this a government function we do not mean that individuals or banks ought not to be allowed to issue their own notes freely on their own credit, nor that their notes ought to be prohibited from passing as currency among people who knowingly and willingly accept them as such. On that point our views are quite to the contrary. What we do mean to say is that while every one should be free to issue his own notes on his own credit, no individual and no bank should be allowed to issue notes on government credit. If government credit is necessary to the flotation of currency, then it is the function of government to use that credit itself. Under no circumstances should it be farmed out either to individuals or banks. When it is so farmed out the seeds of a vicious monopoly are sown.

In the Fowler bill this principle is tacitly recognized, and the difficulty is met by a pretense that the government is not farming out its credit, but is merely administering an insurance fund maintained by the banks for the security of their notes. That is a subterfuge. But if the distinction were substantial, the reply would be that it is not a govern-

ment function to go into the business of administering guarantee funds for insuring private credit. If free banking were really intended, the banks would be left to insure their own credit, either by a mutual arrangement or in insurance companies.

The unconcealed object of the government guarantee fund is to associate government credit with the bank notes in the public mind, and thereby give them the peculiar advantage which attaches to popular confidence in government money.

## V.

As to the other feature of the Fowler bill, the terrific contraction of the volume of legal tender, the dangerous character of the proposed revolution is even more obvious.

In ordinary times the currency of the country would consist (see section 22 of the bill) of stray gold coins, of fugitive silver dollars, of fractional silver coinage, of clearing house gold certificates in denominations of \$20 and upward, of government silver certificates in denominations of \$5 and less, and of national bank notes of \$10 and upwards. But only gold coin would be legal tender, and every pennyworth of all this currency, save only the stray gold pieces, would be redeemable upon demand in nothing but gold. All past due debts, moreover, would be payable in gold at any moment at the option of the creditor.

If there were no laws for the forcible collection of debts, this would make no difference. Legal tenders derive all their importance from the laws for enforcing payment. If all debts were debts of honor, like gamblers' debts, then honor would work both ways, and suspension of payment, or resort to an unusual medium of final redemption when the ordinary medium was not generally available, would be no dishonor. On the contrary, it would be regarded as dishonorable to insist upon the ordinary medium when it was extraordinarily scarce. But with laws for the forcible collection of debt, scarcity of legal tenders raises havoc with debtors. It is not the volume of currency with reference to trade, but the volume of legal tender with reference to laws for the collection of debt, that makes the gist of the money question.

With debt collection laws in force, the imagination shrinks from con-

templating the possible effect of the cancellation of all legal tender but gold, which the Fowler bill proposes. But think for a moment of what that effect would be in times of financial stress, when banks run to cover by "suspending specie payment," in other words, defying the law for the collection of debts—or when a stringency might be profitable to a powerful banking ring.

This blundering or worse than blundering bankers' measure, proposes on the one hand to build up mountains of debt, payable in legal tender whenever so required by the creditor, and on the other hand to diminish the volume of legal tender to the lowest known minimum. The government must pay its bonds in gold; it must pay its silver currency in gold; it must pay its greenbacks in gold; the banks must pay their notes in gold; their customers must meet their obligations in gold; the increasing mass of public debt—state, county, city, township, school district and all—must be met in gold as it matures if gold happens to be in demand; the great load of corporate debt—railroads, street cars, lighting companies, and so on and on—must be paid in gold as it matures, if the creditor requires it; and private mortgage debts must also be paid in gold if exacted. For all this crushing burden of legally enforceable obligations there is to be only one legal tender, and that is gold.

## VI.

The Fowler bill may be an illustrious example of sound financial science, but it looks more like a despicable example of the kind of financial science that the unsophisticated learn from experience of "Hungry Joes." It would pile up legal debts while cutting down legal tender, it would farm out the currency function of the government to a banking ring, and it would reestablish the old United States bank system which Jackson overthrew in a struggle to determine whether the government should abolish the bank or the bank own the government.

Yet this pernicious bill will be enacted if a Republican or a "reorganizing" Democratic Congress is elected in the Fall. It keeps alive the essential issue of which the silver coinage question was only one manifestation. It is a new phase of the vicious financial principle which the Chicago and the Kansas City platforms condemned.

## NEWS

A general convention of coal miners (p. 231) met at Indianapolis on the 17th. This convention was assembled with a view to extending the anthracite coal strike, now in progress throughout the anthracite region, to all the coal mines of the country. A call by five districts of the United Mine Workers of America was necessary to authorize the convention, and that had been secured in May. Three of the districts joining in the call were those into which the anthracite region is divided, the fourth was a Michigan and the fifth a West Virginia district. The convention was accordingly ordered by President Mitchell, and met as already stated, on the 17th. There were 900 delegates in attendance.

President Mitchell opened the proceedings with an address in which he opposed a general strike. He placed his opposition on two grounds: first, that sympathetic strikes on a large scale never succeed; and, second, that the soft coal miners are under contract with their employers and that labor union "contracts mutually made should during their life be kept inviolate." Instead of a general strike in support of the anthracite strikers he urged the convention to appropriate \$50,000, to appeal to local unions to donate as much as they can afford, to levy an assessment upon all members and also upon the officers of the organizations, to appeal to American trade unions and the general public for financial assistance, and to issue an address to the American people.

Debate began upon Mr. Mitchell's plan on the 17th and continued on the 18th, when the subject was referred to a committee consisting of President Mitchell, Vice President Lewis, Secretary Wilson and the president of each district. On the 19th this committee recommended and the convention adopted the following plan, substantially the same as that proposed by President Mitchell in his speech:

1. That the national secretary-treasurer be authorized to appropriate \$50,000 from the funds of the national treasury for the benefit of the districts one, seven and nine (the anthracite districts).
2. That all districts and subdistricts and local unions be asked to donate



whatever they can afford for the support of the strike.

3. That an assessment of 10 per cent. be levied on the earnings of members of the unions Nos. 6, 8, 12, 13, 19, 23 and 25, and that an assessment of 1 per cent. a week be made of the members of districts Nos. 2, 5, 11, 14, 15, 16, 20 and 27. This assessment is not to be made against members of unions now on strike, but in such cases the assessments are to commence when the strikes are over, the manner of this being arranged by the unions.

4. The assessment to be paid direct by the local unions to Secretary-Treasurer Wilson.

5. That 25 per cent. be deducted from the salaries of all national district officers and organizers.

6. That the assessments begin from July 16.

7 That all contributions made by the national organization be distributed pro rata to the anthracite districts, as shown by the last coal reports.

8. That each local union be requested to aid as far as possible in securing work for men now on strike. In this connection the good offices of the American Federation of Labor will be requested.

9. That an address be submitted to the American people.

The address, which was adopted by the convention before its final adjournment on the 19th, is a succinct statement of the case for the striking anthracite miners and an appeal to "every trades union and trades unionist, to every citizen whose interests are involved, and to every lover of fair play to assist in raising \$1,000,000 a month from outside sources as long as the strike may last."

Publication has just been made by the authorities at Washington of the verdict in the Glenn court-martial trial (p. 71) in the Philippines. Maj. Glenn's offense consisted (p. 25) in ordering the use of the so-called "water-cure" for the purpose of extorting information. The court-martial was originally ordered by the President to sit in San Francisco, but it was afterwards allowed to sit at Manila. According to the evidence, upon which the President acted, drawn out before the Senate Philippines committee, one instance of the use of the "water-cure" by Maj. Glenn was upon the person of the presidente of the town of Igaras, Iloilo, on the 27th of November, 1900. The object of the torture was to extort information. It was twice applied. The first time the water from a 100-gallon tank was turned

into the victim's mouth, he lying prostrate and his mouth being forcibly held open, until he gave the desired information. The second time a syringe was inserted in his mouth and another in his nose, the two syringes taking water from a five-gallon can. With the man held down upon his back streams of water were in this manner pumped into him, and to make the torture more effective salt was thrown into the water. Not only was this torture inflicted under Maj. Glenn's orders, but also under his orders the town of Igaras, a place of about 10,000 inhabitants, was burned to the ground. Such was the testimony before the Senate committee. Maj. Glenn is convicted by the court-martial, which fixes his punishment at \$50 fine and one month's suspension from duty.

Regarding the humanity of the "water-cure" method of securing information in an enemy's country, and the extensiveness of its use by the American army in the Philippines, Col. Stephen W. Groesbeck, U. S. A., formerly judge advocate of the division of the Philippines, who arrived in San Francisco from Manila on the 20th, gave out a newspaper interview upon his arrival at San Francisco, in which he is reported as saying that he believed "the 'water-cure,' as practiced by the American army in the Philippines, to be the most humane method of obtaining information that is known to modern warfare." He added that it had been abused only by young officers, overzealous and inexperienced in their work.

An official statement of the aggregate casualties suffered by the American army in subjugating the people of the Philippines, the first full official report yet made, was published by the war department on the 23d. It covers the period from February 4, 1899, when actual fighting began, to April 30, 1902, the date adopted by the war department as marking the end of organized resistance. The statement is in substance as follows:

Killed or died of wounds:		
Officers .....	69	
Men ..	936	1,005
Died of disease:		
Officers .....	47	
Men .....	2,535	2,582
Died from accidents:		
Officers .....	6	
Men .....	125	131

Drowned:		
Officers .....	6	
Men .....	257	263
Suicides:		
Officers .....	10	
Men .....	72	82
Murdered:		
Officers .....	1	
Men .....	91	92
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Total deaths .....		4,155
Wounded:		
Officers.....	190	
Men .....	2,707	2,897
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Total casualties .....		7,052
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Aggregate troops in the service:		
Officers .....	4,135	
Men .....	123,803	127,938
<hr/>		
Average of troops in the service by months .....		
		40,000

The war department estimates the percentage which the number of killed and wounded bears to the average strength of the army as 9.7.

In reply to Gov. Taft's final communication to the papal commission at Rome, regarding the Friar's lands in the Philippines (p. 232), Cardinal Rampolla, the papal secretary of state and head of the commission, wrote Gov. Taft on the 18th assuring him that the representative of the Vatican to be sent to Manila will enter into negotiations with the Philippine authorities on the four points indicated in the cablegram of Secretary Root. These had been communicated by Gov. Taft and were as follows: to furnish lists (1) of the property the church authorities are willing to sell, together with the nature and details of their titles; (2) of the churches, convents, etc., for which they claim damages in consequence of the occupancy thereof by United States troops; (3) of church properties, the formal title to which was in the Spanish crown at the time of the cession of the archipelago to the United States; and, (4) of the various charitable and educational trusts which the authorities of the church consider as devolving upon the church rather than the state. This reply closed Gov. Taft's mission to Rome, and on the 20th he took his formal official leave of the pope, departing from Rome for Manila on the 21st.

Further developments regarding the decision of the supreme court of Ohio invalidating the charter of Cleveland (p.232) place the respon-

sibility for beginning these proceedings upon Senator Hanna's faction of the Republican party, assisted by the anti-Johnson or Farley Democrats. The whole story is told at length in the Cleveland Plain Dealer of the 18th by C. D. Gibbons, Esq., the Cleveland lawyer who instituted the proceedings. Mr. Gibbons says that when he was about to begin the proceedings he met Sheriff Sawyer (an anti-Johnson Democrat) and—

during the course of our conversation he asked me why the Republicans did not do something to check the power of Mayor Johnson. During that conversation I told him that I could not speak at that time for the Republican party but that I was planning to begin proceedings to test the federal plan law, and if possible to knock out the board of control and check the growth of the Johnson machine. He said that he would assist me in this matter, as there were a great many anti-Johnson Democrats in the city of Cleveland who are very much dissatisfied with the political career of Mayor Johnson and stated that he would see one or two others and meet me at my office in the Rose building. A few days later, accompanied by W. A. Creech, Sawyer called at my office and talked over further details of the matter and the necessary steps to be taken and the probable cost of the proceedings. They agreed to assist in paying these expenses. I then proceeded to draw up the complaint. On the following day Mr. Van Wye [Gibbons's nominal client] and myself in discussing the proceedings decided that it would be advisable to consult some of the leading Republicans and get their opinion as to the advisability of bringing the suit. The matter was presented to United States Marshal F. M. Chandler, with the request on our part that he would present the matter to Senator Hanna and see whether or not it met with his approval and report to me, which he agreed to do. Two days later Mr. Van Wye and I met Mr. Chandler and he told us that the proposition to begin proceedings of this kind was satisfactory and that it was a good thing politically to do and that he would assist or see that we secured whatever financial backing was necessary in the matter. Money was furnished us by Creech and Sawyer, and Mr. Van Wye and I went to Columbus. . . .

After the brief was filed considerable interest was manifested by politicians of both parties as to what effect it would have upon the power of the city administration, in case the decision was adverse to the city. Prominent among these were Secretary Haas, of the Republican committee, and ex-Mayor John H. Farley [Johnson's immediate predecessor whose unexpectedly sudden displacement prevented the

surrender of the lake front to a railroad company—vol. iv., p. 2]. Ex-Mayor Farley said that this was something that ought to have been done before, as the legality of the law had often been questioned, and that it was time to do something to break up the Johnson "ring." . . . When Senator Hanna returned from Washington to attend the wedding of his daughter I went to his office and had a conversation with him in which he asked me as to what the decision would be in my opinion and what effect the decision would have upon the city both as to the board of control and the city council. I told him that I believed that the decision would be adverse to the city; that the law would be declared unconstitutional; that the members of the board of control would be ousted from office, and that if the entire federal law was declared unconstitutional it affected the standing of the council; and that this decision would require new legislation. . . . Senator Hanna stated to me that he believed that it was the best thing to do for the interests of the city to have the legality of the law tested and that it would be a good thing for the Republican party.

Senator Hanna denies Gibbons's statement. United States Marshal Chandler refuses either to deny or affirm.

It is stated from Columbus, with an air of authority, that an understanding has been reached among the courts of Ohio by which all ouster orders are to be held in abeyance until the spring elections next year, before which time, it is expected, the special session of the legislature will have provided a new system of municipal organization. This leaves the Cleveland officers elected in April, 1901, to govern the city until the next municipal election, April, 1903, and also removes the only excuse for changing the time of holding municipal elections from April to November.

Meanwhile the Cleveland city council has proceeded to remedy the technical defect in the ordinance for the new 3-cent fare street railway which enabled the 5-cent fare companies to secure an injunction (p. 187) against the construction of that line. Steps were taken for the enactment of new 3-cent fare ordinances in June, as soon as the injunction against the operation of the preceding ordinance was granted, and on the 15th of July the city council passed nine of the ordinances unanimously and two by a vote of 20 to 2.

Each ordinance calls for a bid for a separate part of the general route. The necessary technical conditions would delay final action for probably two months. But now all proceedings have been stopped by a temporary injunction, at the suit of the attorney general, restraining the city council from granting franchises. The basis of the proceeding is the supreme court decision invalidating the Cleveland charter.

Senator Hanna denies all knowledge of or interest in this proceeding, saying that he learned nothing of it until it had been reported by the papers. The lawyer at whose instance the attorney general authorizes it, insists that he does not represent the 5-cent fare street car interests, but property interests which object to one of the 11 ordinances, yet refuses to disclose his clients. Attorney General Sheets says that when this attorney was soliciting his authority, before any reports in the papers, Senator Hanna dropped in, and upon being told what they were talking about said:

Well, I am glad somebody has taken that matter up. That man [Johnson] ought to be stopped before he grants a lot more perpetual franchises and saddles the people with public contracts good for 1,000 years or more.

In a letter to the Cleveland Press, Mayor Johnson declares:

The only important franchises being considered are the three-cent fare railroad ordinances. The opponents of three-cent fare, through the aid of Attorney General Sheets, without whose consent the suit could not be begun, are using the power of that office to delay three-cent fare in Cleveland. Attorney General Sheets has never failed to do the bidding of the public service corporations and steam railroad interests of the state, and the people of Cleveland may thank him for this latest move in the interest of five-cent fare and against three-cent fare. How long will the voters, whether Republicans or Democrats, quietly look on at the compact between certain Republican leaders and the steam railroads and public service corporations of the state, by which every legal technicality is used to stifle competition and to prevent the payment of a just share of taxes and to block every move in the interest of three-cent fare?

When the Cleveland council met on the 21st a motion to reconsider the one ordinance at which the legal

proceedings were professedly aimed was adopted. It was argued in support of this action that if this one ordinance were out of the way the legal proceedings would either have to be abandoned as to the other ten, or their real animus of stopping 3-cent fare legislation be established. All but 8 of the council refused to vote, taking the ground that the motion to reconsider violated the injunction, although the head of the law department advised them that such action would be in line with the injunction and not against it. The vote for reconsideration therefore, stood 5 to 3.

### NEWS NOTES.

—The Earl of Cadogan has resigned as lord lieutenant of Ireland.

—The Republican convention of North Dakota nominated Frank White for governor on the 23d.

—The precise day for the coronation of Edward VII. (p. 232) has now been officially set for August 9.

—The asphalt companies in the hands of receivers have arranged to reorganize as a trust under the laws of New Jersey with \$31,000,000 capital.

—The machinists' demands upon the western railroads (p. 217) have been compromised by the "Big Four" on terms which the machinists regard as a victory for them.

—Gov. Robert M. La Follette was re-nominated on the 19th by the Republican convention of Wisconsin (p. 231). His friends are putting him forward as the next Republican candidate for President.

—A threatened railway war between the New York Central and the Pennsylvania railway interests on one hand, and the Gould railway interests on the other, was settled on the 18th by an agreement satisfactory to the Goulds.

—The Public Ledger, of Philadelphia, was sold on the 21st by George W. Childs Drexel and the Drexel estate to Adolph S. Ochs, the principal owner of the New York Times, the Philadelphia Times and the Chattanooga Times.

—Irish landowners have formed a combination with a capital of \$500,000 for protection against the United Irish league. The prospectus complains that the government has failed to afford the landowners adequate assistance and says that, therefore, united effort on their part is necessary.

—John W. Mackay, the bonanza millionaire, died in London on the 20th. He was born in Dublin in 1831, came to New York in 1841, went to

California in 1851, began mining in 1860, became part owner of the Comstock mines in 1872, and founded the Commercial Cable company in 1884. His fortune is estimated at \$80,000,000.

—After a session of seven days, and balloting to the number of 1,437, Harvey C. Garber was nominated for Congress on the 16th by the Democrats of the Fourth Ohio District. Garber is chairman of the state executive committee and was supported by the friends of Mayor Johnson, of Cleveland. The contest was the longest and one of the bitterest in the history of congressional nominations, and is a triumph for Johnson over McLean.

—A proposal by Russia for an international anti-trust conference, excluding the United States, was discovered by the press on the 19th. Ten days previously the Russian ambassador to London had presented to the British government a note from the Russian minister of finance, a duplicate of which had been sent to all the powers that signed for the recent Brussels sugar convention. The note proposed that these powers consider means to protect international commerce from artificial depression of prices.

### PRESS OPINIONS.

#### THE CLEVELAND "RIPPER."

Pittsburg Post (Dem.), July 21: If the Republican legislature, governor and the Hanna corporations in Ohio don't look out in their efforts to crush Mayor "Tom" Johnson, of Cleveland, they will make that enterprising individual a great power in the legislation and politics of Ohio. They have just put into operation the greatest ripper ever known by judicial force, in ordering the council of Cleveland out of office and suspending their powers. To make matters worse, this was a reform council, and the only honest one Cleveland has had in years. Worse than that, it was a determined supporter of Mayor Johnson in his plans to equalize taxation and regulate the street car lines in the interest of the people. The legal proceedings in Cleveland were inspired by the Republican attorney general of the state, and Mayor Johnson in an open letter accuses him of being in league with the corporation power of the state to stifle private competition.

Cleveland Recorder (Ind.), July 21: The present case has been brought by hirelings of the old street railroad companies who are trying to pose as benefactors of the people in an attempt to keep said people from having three cent fare. In doing this they are not at all careful about not bringing the Republican party and its managers into the controversy. It is hoped to line up the party on the side of special privilege. It does not take a very smart man to understand the problem and see that the whole idea is to help the street railroads and other corporations who have special "grafts" in the streets of this city.

Columbus (O.) Press (Dem.), July 21: The action to tie up the city council of Cleveland pending the adoption of a code discloses the ulterior motive of the corporation code carpenters. They do not care half so much about board plan or federal plan so long as no impediments are put in the code like public ownership or franchise referendum.

#### ANTHRACITE COAL STRIKE.

Chicago Record-Herald (Ind. Rep.), July 19: In placing its treasury and all the pecuniary and peaceful resources of the organization at the disposal of the anthracite strikers, while maintaining their own agreements inviolate, the United Mine Workers of America have won a great victory for the cause of labor in the United States, which will exercise a vast influence on public sentiment in regard to the merits of the struggle in the anthracite coal fields.

Commercial and Financial Chronicle (Wall st.), July 19: We said at the breaking out of the anthracite coal strike that, other conditions continuing favorable, a few hundred thousand disgruntled men, in concluding to lay down their tools and be idle without cause, were not going to be able to stay in any degree the course of current prosperity. The correctness of this suggestion has been very clearly demonstrated by events since then, and especially during recent weeks by the state of affairs on the stock exchange.

#### WISCONSIN POLITICS.

Dubuque (Ia.) Telegraph-Herald (Dem.), July 21: Gov. La Follette is more Democratic than Republican. He stands for honesty and purity in politics and legislation and is bitterly opposed to the domination of corrupt interests. To his ability and perseverance, more than to any other cause is attributable the triumph of the politicians who cherish principle more than office. He broke up the Republican machine that dominated Wisconsin politics and inaugurated a reform for equitable taxation and the primary election law.

La Crosse (Wis.) Daily Press (Rep.), July 18: The so-called "stalwarts" did not bolt the convention. Gov. La Follette's chance of election would be better if they had done so. They . . . preserved unshuffled their party standing at the same time that they went out from convention hall a solid phalanx of anti-La Follette voters. They will work for La Follette's defeat at the polls with redoubled vigor, and they will work from the vantage ground of an unassailable position within the regular organization of the Republican party. . . . The next governor of Wisconsin will be a Democrat.

#### OHIO MUNICIPALITIES.

Buffalo Enquirer (Ind.), July 19: In Ohio the Republicans, led by Mark Hanna, are preparing to put in operation one of the most revolutionary programmes ever attempted in the country, not excepting Pennsylvania. The supreme court of the state having declared the federal plan of municipal government unconstitutional, Hanna and his assistant politicians propose to establish in all of the big cities what is known as the board plan of government, which means that city affairs shall be conducted by boards appointed and controlled by the partisan and corporation-owned administration of the state. Local self-government will be practically wiped out of existence in Ohio if Senator Hanna succeeds in his present plans.

#### INCREASE IN WAGES.

Johnstown (Pa.) Democrat (Dem.), July 19: It turns out that the much vaunted ten per cent. increase in wages by the United States Steel corporation was in the nature of a fake. At all events employees in the local branch of that monster concern so declare. They say that the advance was not general and that it was not a ten per cent. advance at all. On the contrary, only a comparatively few of the Lorain Steel company employees received any advance, and those who did get advances got, not ten per cent., but ten cents. It is said that piece hands were entirely overlooked and that hardly one man in a dozen was

given a slice of this much boasted prosperity.

#### THE TRUSTS.

The Kansas Commoner (Peo.), July 17: A Kansas Republican paper announces that the overwhelming issue in the next great campaign is likely to be the control and regulation of trusts. It appears to us that we not very long since knew of a Republican campaign in which the keynote was—"There are no trusts," and the motto given out by its great leader, "Let well enough alone."

Buffalo Enquirer (Ind.), July 18: The trust issue is rapidly crowding the administration, and with it the Republican party, into an impossible position. On the one hand the temporizing president fears the tremendous tide of public sentiment aroused by the recent plunderings of the trusts. On the other is the menace of monopoly to the party hopelessly committed to it, that if any genuine action shall ever take the place of feigned attack upon the trusts, the Republican party need look for no financial support from monopoly in future.

## MISCELLANY

### ALTGELD'S MONUMENT.

For The Public.

A mighty oak whose giant boughs were bathed in stormy skies,  
Went down; but from its dying shout immortal echoes rise

That leap from lips whence Justice speaks,  
or tyrant's victim cries—

From vibrant chords in alien hearts where martyr Scheepers lies;

From homeless wives and Samar babes,  
whose ghastly glazing eyes

Implore the Anglo-Saxon Christ enthroned  
in paradise.

Oak-like, the storms unchained his strength,  
Christ-like he loved the race,  
And gave his life that homeless wife and man  
with furrowed face

Might have the wage their toll had earned,  
and share, in love's own place,  
The gifts a Father meant for all the children  
of His Grace.

A sacred spot in hero hearts, his mem'ry's  
statue stands;

His spirit breathed when swords are sheathed  
in coming nation's hands,  
Will gird each soul on honor's roll for deeds  
his day demands,

Who feels the beat of Altgeld's heart in  
fairer new-born lands.

CYRUS SHEPHERD.

Conemaugh, Pa., July 14, 1902.

### OVERHEARD IN A STREET CAR.

"Hinessey, have you read the findings in the case of General Smith, of Samar?"

"Oi hov thot, McDougal.

"Do ye think, Hinessey, the president is more sorry for the murdered Filipinos, or that the general give orders in such 'intemperate words'?"

"Go on, McDougal! Can't ye see the administration is hurted because it has to blame some one fur the very ting it wanted to have done, and fur carryin' out its policy to a natural and most beautiful conclusion?"

W. A. H.

### THAT OLD STEAMSHIP STORY CORRECTED.

Apropos of the familiar story of an English scientist who once "demonstrated" that a steamship could not cross the ocean, and whose lecture in which he made the demonstration was brought from London to New York in the first steamship to make the voyage, Dr. M. R. Levenson, of New York, writes:

"The story is told of Dr. Lardner. Forty years ago I asked Mr. Brereton about it, and he informed me that what Dr. Lardner had really said was: 'There will have to be a considerable change made in the form and construction of steam vessels before one could be built of sufficient strength, with capacity to carry sufficient coal, to enable her to cross the ocean without calling at some port to recoal.'

"This statement was amply justified by the result. The 'form and construction' of the first steam vessels which crossed the Atlantic were very different from anything known when Dr. Lardner spoke."

### DESTROYING THE SLUMS.

From "The Faking of an American," by Whidden Graham in Whim.

When I came to New York there were slums at Mulberry Bend. Dirty slums. Disease breeding slums. Tenements in which nasty Italians and Russian Jews lived, because they couldn't afford to pay rent in better quarters. Nobody knew how to get rid of slums. Went to Cooper Union one night to hear a man named Henry George talk about the slums. He said that if the people were allowed to keep the money they earned, instead of having it stolen from them by landlords and other legal robbers, poor people could afford to move into comfortable flats uptown. George evidently very ignorant. My plan to get rid of slums very simple. Have city buy slums, tear down tenements and make a park where they stood. City did so. Now no slums at Mulberry Bend. People who used to live there moved, so now there are slums in Hester Street, slums on Avenue A, slums at Hells Kitchen, slums at Little Italy. More slums than ever. But none at Mulberry Bend.

### NEXT TO THE OLDEST SETTLER.

Ellen Glasgow's little "red-head girl," in "The Battleground," is a charming little personage, concerning whom, as of the youthful Nick Burr,

in "The Voice of the People," she has made many felicitous touches of humor, pathos and insight—being of quiet preludes, in both cases, to novels of warfare and politics in Virginia. Once the little lady seeks out a Negro witch to conjure her hair black, and here is the dialogue:

"The child dried her tears and sprang up. She tied the frog's skin tightly in her handkerchief, and started toward the door; then she hesitated and looked back. 'Were you alive at the flood, Aunt Ailsey?' she politely inquired.

"'Des es live es I es now, honey.'

"'Then you must have seen Noah and the ark and all the animals?'

"'Des es plain es I see you. Marse Noah? Why, I'se done wash en i'on Marse Noah's shuts twel I 'uz right stiff in de j'int. He ain' never let nobody flute his frills fur 'im 'cept'n me. Lawd, Lawd, Marse Peyton's shuts warn' nuthin' ter Marse Noah's.'

"'Betty's eyes grew big. 'I reckon you're mighty old, Aunt Ailsey—most as old as God, ain't you?'

"'Aunt Ailsey pondered the question. 'I ain' sayin' dat, honey,' she modestly replied.

"'Then you're certainly as old as the devil—you must be,' hopefully suggested the little girl.

"'The old woman wavered. 'Well, de devil, he ain' never let on his age,' she said at last; 'but w'en I fust lay eyes on 'im he warn't no mo'n a brat.'"—Chicago Chronicle.

### BRUTAL DEGENERACY DISGRACEFULLY DEFENDED.

For The Public.

How grievously the Republican party has degenerated during the past few years, and how corrupting is the influence of the imperialism adopted by that party, can be no more strikingly shown than by simply quoting from its public record.

### BRUTAL DEGENERACY.

The Deadly Parallel.

In his message of December, 1897, Mr. McKinley denounced Spain's policy in Cuba as a system of warfare that tended "to drive the Cubans to the horrible alternative of taking to the thick- et or succumbing to misery."

In the same message Mr. McKinley denounced the "horrible order of concentration" practiced in Cuba. The horrible order of concentration is now being enforced in the Philippines by our army in order to prevent the Filipinos from "taking to the thick- et."

the only other alternative to prevent "succumbing to misery."

He referred to the Spanish commander "whose brutal orders inflamed the American mind and shocked the civilized world."

The "water cure" and other brutalities practiced upon the Filipinos do not inflame the minds of Republicans in America, but they shock the civilized world.

In his message of April 11, 1898, Mr. McKinley denounces the policy whereby in Cuba "farms were laid waste, dwellings unroofed and burned, mills destroyed and, in short, everything that could desolate the land and render it unfit for habitation or support."

From May, 1900, to July, 1, 1901, over 5,000 Filipinos were killed or wounded. In 1902 Gen. Jake Smith issues orders to make Samar a howling wilderness and kill all males over ten years of age! No one knows how many Filipinos have been killed. Is it possible to "make the land more desolate and render it more unfit for habitation and support?"

Mr. McKinley said "this was not civilized warfare, but extermination" \* \* \* the only peace it could beget was the peace of the grave.

"The peace of the grave" seems to be the only hope for Filipinos under Republican administration. In one province alone the population has been reduced from 300,000 to 200,000, 100,000 having found "peace in the grave."

In his message of April 11, 1898, Mr. McKinley proposed to intervene "in the cause of humanity and put an end to the barbarities, bloodshed, starvation and horrible miseries now existing there [in Cuba], and which the parties to the conflict are either unwilling or unable to stop or mitigate."

In April, 1902, Gen. Miles is sharply rebuked by Secretary Root for saying that the war in the Philippines was being conducted with "marked severity." Cruelty was denied, and official reports of cruelty suppressed, until the Democrats in congress unearthed them. In defense, the administration then declared that over 350 men and officers were being tried by court-martial, but Maj. Waller, who made Samar a howling wilderness, has been acquitted. It appears that the administration is "either unwilling or unable to stop or mitigate the horrible miseries" now existing in the Philippine islands.

In the foregoing quotations from Mr. McKinley's message the prevailing sentiment of the American people was expressed. That sentiment still controls the hearts and minds

of all whose better nature has not been deadened by party fealty. To what surprising lengths civilized people will go under the influence of a party name which once stood for high ideals is manifest by the disgraceful attempts which are made to defend their party leaders against absolutely indefensible misconduct.

DISGRACEFUL DEFENSE.

The administration organs and apologists resort to a defense as disgraceful, if possible, as is the offense they seek to mitigate. These men dishonor Abraham Lincoln by calling themselves Republicans, and they seek to hide behind the shroud of Abraham Lincoln by citing in justification Order No. 100, which he approved April, 1863. The shameful-ness of this attempt is exposed by quoting certain paragraphs of that order which they are careful not to reproduce. Compare these paragraphs with the acts sought to be justified by Lincoln's order.

The Deadly Parallel.

Paragraph 80, Order No. 100.—Honorable men, when captured, will abstain from giving the enemy information concerning their own army, and the modern law of war permits no longer the use of any violence against prisoners in order to extort the desired information.

Paragraph 16, Order No. 100.—Military necessity does not admit of cruelty \* \* \* nor torture to extort confessions \* \* \* nor of the wanton devastation of a district.

Paragraph 44, Order No. 100.—All robbery, all pillage or sacking, even after taking a place by main force, all rape, wounding, maiming or killing of such inhabitants, are prohibited under the penalty of death, or such other severe punishment as may seem adequate for the gravity of the offense.

Filipinos who, when captured, refuse to give their enemies information, are not considered honorable for so doing, but are called "niggers and savages," and are subjected to violence to extort the desired information.

The "water cure" and other forms of torture and violence are resorted to as a military necessity to extort confessions as to the location of hidden arms, etc., and Samar was made a howling wilderness by order of Gen. Smith as a military necessity in the Philippines.

Robbery, pillage, sacking and rape have been notoriously common in the Philippines. In May, 1902, in the senate of the United States, Senator Lodge said that the cruelties practiced in the Philippines "were a source of deep regret. That the secretary of war has done all he can possibly do. He has done his entire duty." If this be true, then it is impossible for the Re-

publicans to conduct their war on the Filipinos according to modern rules of civilized warfare.

Paragraph 15, Order No. 100.—

Men who take up arms against one another in public war do not cease on this account to be moral beings responsible to one another and to God.

The Republicans claim to be in partnership with God in this Philippine affair. Destiny put them into the islands, and since they have done their "entire duty," the responsibility is with God alone.

Senator Clapp, in a recent speech in the Senate in defense of the administration and the army, frankly acknowledged the crimes and mistakes of our army in the Philippines, but declared them to be due entirely to human nature. For this new excuse he is greatly praised by the administration organs—another confession that the Republican imperial policy cannot be carried out in accord with the modern laws of warfare as laid down by Lincoln; it is contrary to human nature.

Such are the confessedly necessary results of imperialism. The administration admits that it has court-martialed more than 350 officers and men in the Philippines; admits that it has done its whole duty, and "deeply regrets" that torture and devastation reign in spite of all it can do; admits that it cannot conduct its war on the Filipinos successfully within the bounds of the rules of modern warfare.

The Army and Navy Journal says Gen. Smith's severe measures were necessary, and that they were approved by the administration at Washington, and that the clamor about them is "absurd and unreasonable." One reason why such severity was necessary, apparently, arises from the "perverse" character of the Filipinos. Even the children ten years old take up arms for the independence of their beloved islands. Nothing but slaughter, torture and extermination will work with such people. But oh, the sickening thought of it! How long will the American people stand sponsor for such horrible work? How long shall our honorable citizen soldiers be forced to act like savage brutes? When shall this horror of the century cease? What is to be gained by it? The depopulated islands? A base for trade and naval operations? The reputation of being a great military and naval power? What shall it profit a man if he shall

gain the whole world and lose his own soul?

A. B. CHOATE.

### IS THE OLD UNITED STATES BANK TO BE REVIVED?

A portion of an address delivered by Judge E. F. Dunne at the Jackson Day dinner in Chicago, January, 1902.

In 1832 the United States bank had a virtual monopoly of the banking industry of the United States. It was the depository of all government moneys, and the agent of the government in the payment of pensions. Its charter, obtained by the most crafty and adroit financiers of that time, gave the bank such privileges and advantages that no other bank, or combination of banks, could successfully compete with it.

When Gen. Jackson was renominated for the presidency, it had so entrenched itself by the brazen use of its money and the distribution of the favors peculiar to large moneyed monopolies that it had a safe working majority in both the senate and house of representatives. It owned or controlled the influential press, and the ablest and most powerful politicians of all parties. It could and did command the eloquence of Calhoun, Clay and Webster. Its directors and stockholders moved in and were leaders of society, and what is known as the "better classes" were all in favor of the recharter of the bank. To oppose the scheme of the bank was distinctly unfashionable. Its president, in contrast with the president of the United States, was popularly called "Emperor Nicholas," whom it was confidently predicted would rescue society from the reelection of "President Andy." In the summer of 1832 the bank, relying upon all the sinister influences under its control, called upon its tools in congress, mercenary and otherwise, and procured the passage in both houses of a law rechartering the bank on terms satisfactory to it. But there was an iron-willed, incorruptible, rude and unfashionable man in the presidential chair, named Andrew Jackson. This man did not believe in monopoly or special privileges, and had a Brutus-like conception of patriotism. He promptly vetoed the rechartering law, and on the issue joined by that veto between Jackson and the bank, he went to the country.

On the one side were the great moneyed interests, the powerful press, the leaders and a great majority of both houses of congress, and the great molders of public thought, Clay, Calhoun and Webster. On the other side

was the stern, inflexible, iron-willed Jackson, and the common people of America. The result was an overwhelming triumph for Jackson and the people, and the overthrow of the bank and its baleful influences in public life.

So complete was the triumph of the public conscience over official prostitution and corruption, that no man or set of men have since had the temerity to advocate the creation of a bank with a monopoly of public revenues, until the year 1901.

It is now seriously and forcibly advocated, and that, too, by men who have the power to coin words into deeds, and make theories actualities.

Nay, more, I see things occurring that convince me that the men in power who have the making of laws within their control, are actually taking steps, and taking them with precision and expedition, to create a great central bank, which, by law, shall have the monopoly of handling and controlling all the funds of the United States, which, in my judgment, will make it the most absolute and dangerous monopoly on earth.

Let me call your attention to a few things, upon which I base this assertion.

About two months ago the bankers of this country had a convention in Milwaukee. At that convention a railroad president, who had been inspired for the occasion, gently broached the suggestion for the first time since Jackson's triumph, that a great central banking monopoly was needed in America. These are the pregnant words in President Stickney's speech:

A banking system for a great nation like the United States requires a central bank with a head in the chief commercial city, with branches in each of the commercial centers, which shall constitute the head and the backbone of the system. This central bank should be the Bank of Banks and the Bank of the Government. The sub-treasuries should be abolished; the central Bank should hold the gold reserve of all the Banks and of the nation.

The only legislation required is the repeal of the sub-treasury laws and of the provisions of the present national bank law, which in any manner restrict the business of swapping credits, and which prevent banks from conducting the banking function in more than one locality.

This is a plain, succinct, unequivocal demand for the abolishment of the United States sub-treasuries, the creation of a great central bank; free of all governmental control, in which shall be placed, by law, all the cash and securities of the United States government.

The rights and privileges here demanded far exceed in importance and

magnitude those contained in the charter of the United States bank, vetoed by Jackson.

That institution was governed by a board of directors, five of whom were selected by the president of the United States, and in many other respects the old United States bank was subject to governmental supervision. Mr. Stickney's modest demand requires the deposit of all government funds in the proposed arch-monopoly, while it shall be utterly independent of governmental supervision or inspection.

This delightfully daring proposition was not made to a gathering of lunatics, anarchists, or wild-eyed theorists, but to a meeting of supposedly conservative bank presidents and captains of finance, and the proposition advanced by Mr. Stickney was received with strong demonstrations of approval. Present in the room at the reading of this daring and original paper were the then secretary of the treasury, Mr. Gage, and an ex-comptroller of the treasury, Mr. Eckels.

The first of these gentlemen holding, from a financial point of view, the most important office in the United States, unreservedly approved of Mr. Stickney's scheme, in the following language:

I was pleased to hear that cold, deliberate, ruthless statement of Mr. Stickney. He got at fundamental truths and fundamental principles, and he applied them with the skill and calmness, and the kind indifference of a surgeon amputating a limb.

How appropriate the simile. Mr. Stickney's proposition amounts to the amputation of the treasury from the United States government. Secretary Gage, continuing, then becomes humorous:

He spoke truthful words on behalf of the great multitude who represent industry, enterprise, commerce and trade.

Mind you, Mr. Stickney spoke not in behalf of the men who want to organize this great arch-monopoly and get hold of the United States treasury, but on behalf of the "great multitude," etc.

After this portion of Mr. Gage's speech, I looked for parentheses between which would be the words "uproarious and hilarious laughter," but could find none. Strange to say, this exquisitely humorous passage, worthy of Mark Twain in his prime, passed unnoticed among these financial magnates.

The secretary of the treasury thus flatly commends and approves Mr. Stickney's proposition and then humorously, no doubt, declares it is a proposition devised in the interests of "the multitude."

Mr. Eckels, now bank president, formerly comptroller of the treasury, also commends Mr. Stickney's proposal in the following language:

There is undoubtedly much of good in the suggestion of Mr. Stickney, that there ought to be some one institution through which the fiscal business of this government ought to be conducted. . . .

I believe in them (great banks) as I believe in great combinations of capital, being neither harmful to the people or detrimental to any of the political or personal rights of the people. . . . Even the United States bank with all its introduction of political methods, undertaking to control political interests; with all its great faults, was never as a fiscal institution harmful to any business interests of this country, or detrimental to the rights of any individual.

Mr. Eckels then proceeds to deliver a panegyric upon the defunct United States bank, which, when one remembers the financial scandals of the Cleveland administration, is not to be wondered at.

Not content with his endorsement of Mr. Stickney's scheme and his panegyric of the infamous United States bank, which debauched both houses of congress and several members of President Jackson's cabinet, for which it was put to death and buried by the American people sixty years ago, Mr. Eckels would improve upon Mr. Stickney's daring scheme, by tagging on to it what he calls his "asset currency scheme."

This scheme, as developed by Mr. Eckels is the most beautiful, unselfish, altruistic conceit ever devised by man. It is the simplest and most perfect scheme of banking ever originated by a banker—for the banker. As explained by Mr. Eckels, the scheme is as follows:

Banking should be allowed to go unhindered as a grocery business. Banking should be left to the control of those who own banks.

This is also the view of Messrs. Dreyer, Spaulding, Schneider, Meadowcraft, and several other eminent ex-bankers of this city. It is also the view of railroad presidents in relation to railroads, of street-car magnates in relation to street-car systems, and of pawnbrokers in relation to pawnbroking.

I would like much to see the legal tender issues of the government, not only imprisoned, but canceled and retired.

In other words he would like to have all government money abolished. In its place he would have the bank, or banks, "unhindered as a grocery business," given "a note issuing power which in and of itself does not depend upon the deposit with the government of any bonds

for the purpose of securing that circulation." Now the only security for the payment of such money, under Mr. Eckels' scheme, would be the property or assets of the bank. What those assets might be, or what they might be worth, no one could tell, because under Mr. Eckels' airy scheme of running a bank as one would "run a grocery business," without any restriction or right of inspection by the government, the public would have no legal right to examine these assets. They would be compelled to take the bankers' own statement in relation to the value of the assets of the bank, and we all know that bankers, like other people, have been, are, and will continue to be, both honest and dishonest. Now all government money being, under Mr. Eckels' delightful scheme, "canceled and retired," the only money left would be the "asset notes" of one great or many small banks, secured by no collateral, and being the liabilities of a bank or banks about whose assets the people would know nothing, except what the bankers saw fit to tell them.

Such money the people would have to take or go without money.

This scheme struck me as daring and original, but I have been told by my father that it is an old one rejuvenated, and that such money was current some fifty years ago, and that it was not called "asset currency," but "wild cat," "red dog," "stump tail" and other coarse names, and that the assets behind such currency were visionary and unstable, a delusion and a snare.

These statements and declarations of Messrs. Stickney and Gage and Eckels were all made before a convention of representative bankers, and were received with commendation and approval. This shows that the trend of thought among the bankers and financiers of the country, is in the direction of the establishment of a giant banking monopoly, the retirement of government currency, the abolition of sub-treasuries, and the placing of all government funds in the vaults of this giant corporation. More significant still, is the fact that since the holding of this bankers' convention, the secretary of the treasury, Gage, has resigned, and that it is publicly announced that he is to organize and preside over a great new bank, so great that it will be international in character, and that it has already been designated as the depository of the Chinese indemnity.

Contemporaneous with this announcement the new secretary of the treasury takes his portfolio after making public announcement that he is in accord with all the financial views of his predecessor, and that he will carry out the policy of Mr. Gage unaltered.

Most bankers are Republicans; the Republican party is in the saddle. It controls to-day the presidency, both houses of Congress, and Justice Brown controls the Supreme Court. Its secretary of the treasury, just resigned, wants a central bank monopoly; its present secretary of the treasury is in accord with his predecessor; the bankers of the country want a central bank monopoly; the organized wealth of the country wants a central bank monopoly; and a Republican Congress and Executive will soon crystallize their wishes into law.

If the United States bank of 1832 could corrupt and control both houses of Congress with a capital of only \$50,000,000, what will a new United States bank be able to do in 1902 with a thousand million capital? We need another Jackson.

Five acres of land around Charing Cross, London, are held by the marquis of Salisbury. These acres were obtained by his ancestors 250 years ago for grazing land at the modest rate of \$2.50 an acre for 500 years. What that little bargain has been worth to the Cecils it would be rather difficult to accurately compute.—Chicago Chronicle.

Mother—I am surprised, Ethel, that you should talk so impertinently to papa. I'm sure you never heard me talk that way to him.

Ethel—Well, you choosed him, and I didn't.—Detroit Free Press.

### BOOK NOTICES.

#### DIVISION AND REUNION.

This book, by Dr. Woodrow Wilson, first published (Longmans, Green & Co.) in 1893, has passed through a number of revisions and reprints, the latest reprint being in March of the present year. It covers the period of United States history between the years 1829-1889. If a teacher of American history in a high school wishes to impress his class with the fact that there are other parts of history than wars, and feels the need of a hand-book for fuller treatment of political and economic subjects than can be found in the school text-books, then this is just the book for him to buy. He will find here clear and dispassionate accounts of the various tariff acts, of the United States bank and other currency legislation, of internal improvements, of party doctrines and campaigns, of the slavery problem, of secession and reconstruction. The author, a Southerner by



A NEIGHBORLY ALARM.

Goldwin Smith—Hold, hold! Stop! Pardon this intrusion of an outsider, but, my dear sir, you're losing all your noblest ideals!!

birth and partly by education, whose manhood and work have lain in the North, is peculiarly fitted to write a book covering this sectional period, and it is no wonder that his work has been welcomed by fair-minded teachers of various shades of opinion.

Here and there this reader or that might perhaps wish to reinforce an argument or shift the emphasis a bit. For example, the author seems to me to fail to bring out with quite satisfactory distinctness what was probably the deepest basis of Jackson's hostility to the bank. It seems that Jackson was the first to see clearly the threatening signs of great aggregations of capital, and therefore he aimed his blow at the greatest then existing money power. It must be remembered that his administration, as the author so aptly and ably shows, marks a turning point in our industrial history. It was the seed-time of great industries. As Prof. Willson says: "The first signs of a day of capitalistic combinations and of monopoly on the great scale began to become visible, and it is noteworthy that Jackson, with his instinctive dread of the bank monopoly, was one of the first to perceive them." May it not be that his prophetic sight of the dangers to arise from the general growth of combinations was the very cause of "his instinctive dread" of the bank? But this illustration may serve to show the reader how difficult it is to make any serious, adverse criticism of the book. Indeed, it would be hard to name any similar treatise which is so entirely fair and at the same time so clear-cut and positive.

J. H. DILLARD.

PERIODICALS.

—In McClure's Magazine for July there is a spirited account, by Cyrus Townsend Brady, of "George Rogers Clark, and the Great Northwest." It will probably be a surprise to many, who know in a general way of Clark's work, to learn that his last years were embittered by poverty, neglect and despair. Disgusted at the way Virginia treated him, he is said to have broken the sword which had been presented to him by the state. In the same number Charles

Francis Saunders, who is also the author of the poem in the current Harper entitled "The Old Home," has a brief poem which is worth quoting:

Keep, Lord, Thy child in poverty  
If wealth must dim his eyes  
To the beauties of Thy pictured earth,  
To the glory of Thy skies.

And in Thy mercy send defeat  
If victory's fruit must be  
Indifference to his neighbor's need—  
If victory cost him Thee!

It is pleasant to find the magazines willing to publish such poems, which are both simple in words and clear in meaning. The editors have seemed during the past decade to be passing through a cult that considered poetry to consist of concealed vagueness. It is true that a true note of the best poetry is suggestion, that is, the power of projecting the reader's mind beyond the mere words, but it is also true that the words chosen must aid and not conceal the thought, and that the very compression of language in poetry is for strength and not for perplexity.

J. H. D.

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