

"HEW TO THE LINE, LET THE CHIPS FALL WHERE THEY MAY."

Philosophy and Physics of Money.

(CONTINUED.)

In last week's Broad-Axe we printed under heading "Man, Trade, and Money," an extract from a pamphlet entitled "The Philosophy and the Physics of Money," by Adhemar Brady. We shall continue to publish selections from this work as opportunity offers, believing the author's clear and conclusive.

Here we present for this week's lesson from Mr. Brady's booklet "The Law of Money and the Money Theory Applied to the Circulation of Money."

It will be observed that the law of money contradicts the money theory.

Let us examine the circulation of our different kinds of money, and we must discover which in practice is true, the law of money or the money theory.

I. Why does our gold money circulate?

This money is valuable in itself and it is comparatively rare. It enjoys a pre-eminence in popular estimation that ranks it as the typical money. "Good as gold" is always interpreted as meaning "nothing better." Facts, however, have no respect for the ideal. When we coin gold as a common medium of exchange we stamp it as so many dollars. With these coins we sell or buy. Let a farmer sell his crop for \$500 in gold. Why does he receive this money? Not because he wants it for consumption in any way. He takes it as evidence of the values he has parted with, and because it is a claim against the common stock, that is, because he can buy other things of equal value. The gold adds nothing to the value of the things sold, nor does it add to the value of the thing bought.

Its properties are of no avail in these transactions. A ten-dollar piece in a man's hand is evidence that he has parted with products or rendered services valued at ten dollars. It is his order upon the common stock. Without a common medium of exchange men could not place their products in the common stock. Gold may be as a common medium of exchange because it can represent value in the common stock. Gold money circulates because it represents value. It circulates according to the law of money; its own value is of no effect while it is used as money.

II. Why does our silver money circulate?

As was the case in considering gold, we find that the properties of silver are of no avail while being used as money. As a medium of exchange we receive it when we sell and we part with it when we buy. It must represent the value of what we sell, and it must be a claim against the common stock, or it would not be money. In other words, it circulates because it represents value. Like gold, silver circulates according to the law of money, and its own value is of no effect.

The circulation of gold and silver simultaneously contradicts the money theory in two respects. In the first place we neutralize the rarity of gold when we introduce silver, which is more abundant.

If the claim for rarity were waived, either the silver would not circulate, or the attempt to use it would destroy money.

In the second place the money theory requires that the money shall be equal in value to the things exchanged. Now, the gold dollar as bullion, is of greater value than the silver dollar as bullion. If we assume that the gold dollar is equal in value to the thing bought, how shall we explain the fact that the silver dollar, which has less value, will buy the same thing? Two things that are not equal cannot each be equal to a third. The money theory cannot explain the discrepancy which it creates, but the law of money accounts for the circulation of both kinds of money.

It shows that both circulate because both represent equal values. They do this independently of their own values. Our fractional silver is light weight. Our nickles and coppers are made of cheap metals. The money theory explains their circulation by calling them subsidiary coins or token money. These are mere names. The fact is they are money in every respect, and they circulate because they represent value as truly as gold or silver. They circulate according to the law of money and not because they are equal in value to the things exchanged. If we look at their value we find a greater discrepancy than exists between gold and silver.

III. Why does our paper money circulate?

The money theory claims that it circulates because it represents gold or silver. The law of money says it circulates because it represents value. Let us examine the facts that fall daily under our observation. When we sell do we take this money because it represents metal, or because it represents the value of what we part with? Do we inquire whether it represents gold or silver, or do we look to see what its face value is? When we sell products, or render services, valued at one hundred dollars, what concerns us is that our money shall represent that value.

This is the reason why our national bank notes circulate. They do not represent gold or silver; they are a kind of second cousin to gold.

It is impossible to find an agreement between the money theory and facts, for it does not exist. It is impossible to explain the circulation of all our different kinds of money, or any one of them, according to the money theory.

The law of money knows no exception. It explains the circulation of all money on one common principle, and it agrees with the facts of our common observation.

MONEY AS A LEGAL TENDER.

In attempting to explain the circulation of money, it is sometimes claimed that money circulates because it is legal tender. The legal tender feature of money is not a property, but one of the uses of money. It is eminently wise that there should be an acting settling the question as to how men may cancel their debts; otherwise arbitrary creditors might put the debtor to great hardship. And it is entirely reasonable that the offer of money should be made by law the tender in payment of debts. All money should be a legal tender. Our national bank notes are not a legal tender. This fact does not prevent their circulation.

It may be suggested that these notes are convertible into other notes that are legal tender, and that this fact accounts for their circulation. The suggestion assumes that the legal tender paper is the cause and the national bank notes are the effect, and cause and effect are indistinguishable. The case is a plain one. We have paper that is legal tender, and we have paper that is not; nevertheless both circulate. Now we are told that both circulate because they are convertible, that is, one may be exchanged for the other. And we have previously been told that the legal tender paper circulates because it is a legal tender.

Now men will not establish a legal tender that is worthless—it must be an equivalent of the debt. Then why is this piece of paper, about three inches wide and seven inches long a legal tender for my hundred days of labor at one dollar per day? Some one may answer: "Because it is convertible into gold." Then we ask, Why is this one hundred dollars in gold a legal tender? If we are told "because gold is money, and the

law makes it a legal tender," we ask the question: What is money? This brings us back to the starting point, and we repeat: Money is a common medium of exchange, and it can be used as such, because it represents value.

The legal tender act bars me from refusing the one hundred dollars, and claiming, instead, my neighbor's ox, or his ass, or his maid-servant; but it is not the law of money. It merely specifies one of the uses of money, albeit a very important one.

When a Man Stops Jumping.

Waverly Magazine. "Henry," she said, and there were what a novelist would call tears in her voice as she spoke, "I don't believe you love me."

He took the cigar from his mouth and looked at her in surprise over the top of his newspaper. "Maria," he said, "don't be foolish."

"There!" she exclaimed, "There's evidence of the truth of what I said. 'Don't be foolish.' Did you ever speak to me that way before we were married?"

"No, my dear, I did not," he admitted. "Then," she said reproachfully, "my slightest wish was law; then you never sat like a dummy, smoking a cigar and reading a paper when I was in the room; then you seemed anxious to please me, and were ever on the watch to do some little favor for me."

"It is true," he admitted. "You were never lazy then," she went on; "you were full of life and spirits, you were energetic."

"My dear," he interrupted in that calm, dispassionate tone that makes the average wife want to get a poker or a broom, "did you ever see a boy trying to get an apple or cherry that was just a little out of his reach?"

"Certainly," she answered; "but—"

"He keeps jumping and jumping until he gets it, don't he?"

"Of course."

"But does he continue jumping after he has got it?"

"Certainly not. There's no need of it."

"Well," he said, as he turned to his paper again, "you're my cherry and I don't see the slightest reason why I should keep on jumping any more than the boy."

She didn't say anything, but she thought and thought, and the more she thought the more undecided did she become as to whether she ought to be angry with him or not.

Four Lives Lost.

Victoria, B. C., April 10.—George Schnoeter is the sole survivor of a shipwreck which occurred between Malcolm and Vancouver Island, March 17. The sloop on which he and Tom Hackett, of Seattle, had been selling liquor to the Northern Indians was lost in a storm while all on board were intoxicated. Those drowned included Hackett, an Irish logger known only by his first name, Charlie, and two half-breed women.

It is supposed that it was the wreckage of this craft that was mistaken for that of the yacht Thistle, the latter craft, with her party, being safe at Albert bay.

Hanna and the Beef Scandal.

Baltimore Sun: Senator Mark Hanna in a note to the Associated Press in regard to some questions asked by Major Lee of a witness before the beef inquiry board, says: "I see in the newspaper reports that one Major Lee has attempted to drag my name into the case by questions which conveyed the impression that I was present at some conference where the beef contracts were discussed. I wish to state that I never had anything to do with any army contracts, nor even exchanged a word with an official of the war department on that subject. I make this statement in order that it may have the same publicity as was given to the contemptible insinuations of this man Lee."

and sacrilegious person this "one Major Lee" must be who thus dares to "drag" the holy name of Hanna into the slime of the embalmed beef inquiry. The bare idea of "one Major Lee" or one anybody else taking such liberties with the sacred name and unpolluted fame of Hanna is enough to send a shudder of horror from Maine to Florida, and from Maryland to California.

The thought of "dragging" the irreproachable name of Hanna into anything has never before entered into the most malicious of human imaginations. Heretofore none have known him but to love him, none have named him but to praise. Hanna has been the synonym of political purity and moral altitude, a household word for all that is good and great, glorious and virtuous. To suggest that he would have anything to do with a beef contract, or any other sort of a contract involving mere filthy lucre is as preposterous and ridiculous as it is outrageous and abominable. It is well known that Mr. Hanna is of a sensitive, poetical temperament, who spends his whole time far from the madding crowd and from all things evil in peaceful rural retirement, contemplating the beauties of nature, watching the innocent lambs gamboling over the pastures and composing odes in praise of political integrity and of the stern and simple virtues of the rude forefathers of the republic. It fairly makes the blood boil, even in the peaceful veins of an anti-imperialist and lofty patriot should be connected with coarse, unsavory embalmed beef contracts. And by "one Major Lee," too! Could there be a more monstrous specimen of human depravity than this attempt to "drag" the name of Mark Hanna into this vulgar beef business? But Mr. Hanna need have no apprehension. It is impossible to "drag" down such a name as his. It will remain "embalmed" in American political history long after "one Major Lee" has been forgotten—unless, perchance, he should be remembered by his "contemptible insinuations."

Growth of Independent Voting.

N. Y. Post: The municipal elections just held in the West furnish striking proof of the growth of independence in voting. Chicago teaches the same lesson in this respect as Cleveland, Toledo and smaller places. Mayor Harrison is a democrat and Chicago is a republican city. A respectable republican was nominated against Harrison and the old arguments as to party fealty would have insured this republican's election as another democrat took the field and carried off tens of thousands of this party. But the respectable candidate nominated by the republicans was generally believed to represent only the party machine, while everybody knew that Harrison is his own man. The result was that a large percentage of the more intelligent republicans deserted the nominee of the machine, and it was their support which elected Harrison, despite the great diversion of democratic votes to Alged. These republicans were perfectly frank about their position. They admitted that there was much in Harrison's administration the last two years which they disliked and even condemned but they found ground to expect better things the next two years if he should be re-elected, while his courage in fighting the grabbers of the street-car franchise turned the scales in favor of this democrat as against a weak kneed republican.

The Supreme Test.

Boston Commercial Bulletin: "You are all right," said the doctor after he had gone through with the regulation thumping and listening with his patient. "Not a trace of heart disease. Fifteen dollars, please."

The patient drew a long breath and remarked: "I am sure now I have no heart disease; if I had I should have dropped dead when you mentioned your fee."

Washington Star: "Do you like violets?" asked the sedate girl.

"Yes, indeed," answered the frivolous one.

"I think there is nothing more charming than to wander out into the woods and fields—"

"Woods and fields?" was the disappointed rejoinder. "Oh, dear! I thought you were talking about bonnet trimmings."

A NIGHT ATTACK.

Rebels Tried to Capture American Outposts but Were Repulsed With Loss.

Manila, April 11, 5:45 P. M.—About midnight the rebels cut the telegraph line at several places between here and Malolos, and signal fires were lighted and rockets sent up along the foothills to the right of the railroad. Later the enemy attacked the outposts of the Minnesota regiment, at Bowen Bigas, and Bocave, five miles south of Malolos, killing two men and wounding 14.

Simultaneously, the outposts of the Oregon regiment at Maricao, the next station on the way to Manila, were attacked, with the result that three Americans were killed and two wounded. The loss of the enemy was ten men killed and six wounded. The Americans also captured two prisoners.

The troops were concentrated along the railroad as thickly as possible, and the rebels were driven back to the foothills.

5:50 P. M.—It is supposed that many of the rebels who attacked General MacArthur's line of communication, and who were repulsed by the troops commanded by General Wheaton, were natives who entered the region in the guise of friendly. They had seemingly secreted arms in several places and fired on the Americans from the bushes at so close a range that they could be heard talking.

One of the Filipinos yelled in English: "We will give you damned Americans enough of this before we are through."

The rebels undermined the railroad at Maricao and unspiked the rails in an effort to wreck the train while the railroad gang participated in the fight. The work of the rebels was discovered and repaired before a train arrived.

General Wheaton is preparing to punish the Filipinos.

The military gunboats Napidan and Laguna de Bay have succeeded in entering the Santa Cruz river, and have captured a small unarmed Spanish gunboat and three launches, which they discovered there. The military gunboat Oeste has brought 32 rebels, wounded, and six Americans to the hospital.

It is now known that 93 insurgents were killed during the capture of Santa Cruz.

CO. M, SECOND OREGON, PARTICIPATED.

Manila, April 11.—Company M, Second Oregon, got the brunt of the fighting today south of Malolos, and, together with companies C and D, Thirteenth Minnesota, lost 5 killed and 14 wounded. It is impossible to get the list of dead and wounded.

Lawton has pushed ahead and captured two more towns, Lumban and Pagsanjan. At Lumban, which commands the river, the latter was obstructed so the gunboats could not enter. The Laguna de Bay began a bombardment and drove out of the city all the insurgents save a small band fortified in the stone church. There the Americans made a rush and killed several and captured 50. Only one American was wounded, slightly, in the arm.

Two cascos and six launches were captured in the river, and the obstructions will be removed at once.

Santa Cruz and Pagsanjan are guarded by the Fourth cavalry. Lawton and the Fourteenth infantry are at Lumban. The fighting must cease in ten days, as the rainy weather sets in. The battles of the last few days are all skirmishes.

Liked Violets.

Washington Star: "Do you like violets?" asked the sedate girl. "Yes, indeed," answered the frivolous one. "I think there is nothing more charming than to wander out into the woods and fields—" "Woods and fields?" was the disappointed rejoinder. "Oh, dear! I thought you were talking about bonnet trimmings."

Making Arrangements.

The Oregonian of recent date says: B. B. Herbert, editor of the National Printer-Journalist, of Chicago, the official paper of the National Editorial Association of the United States, arrived in Portland yesterday. He is here to aid in completing arrangements for and to publish all matters of interest in regard to the association's meeting in this city on July 4-8. He will give the programme of the convention, together with the itinerary arranged, local entertainments, names and portraits, as far as possible, of all local committees, and a descriptive, illustrated article of all points of interest, in the May issue of the official paper.

Mr Herbert was the organizer and was elected the first president of the National Editorial Association, at the world's exposition in New Orleans in 1885. Since then, the association has met in Cincinnati, Denver, San Antonio, Tex; Detroit, Boston, St Paul, San Francisco, Chicago, Asbury Park, N. J., with entertainment and banquet in New York city; St Augustine, Fla; Galveston, Tex, and last year again in Denver. There has never been a state or city in which the convention has been held that has not sought a return of the association. At the convention in Denver, the cities of Cincinnati, Milwaukee, Put-in-Bay, with its hotel to accommodate 1200 guests, and a hall for the convention and committee-rooms, under the same roof; Niagara Falls, and Hot Springs, Ark, were hot contestants with Portland for the meeting this year.

It is no wonder that there should be such an annual contest. The National Editorial Association is a representative delegate body. The associations of New England, New York, Pennsylvania, Ohio, Michigan, Illinois, Indiana, Missouri, Iowa, Minnesota, the Dakotas, Nebraska, Kansas and Texas, and all the rest of the states, send their best men, one for every 25 members. No one can attend unless elected or appointed, and vouched for, through proper credentials, by a recognized association, each year. For the splendid contest by which the convention was obtained for Portland, credit is due the enterprise and liberality of the Oregon Railroad & Navigation Company, and to Colonel Pat Donan, who attended the convention and eloquently presented the claims of Portland, and of the whole of Oregon for that matter.

As now arranged, the delegates, some 600 in number, will reach The Dalles on the morning of July 3, and come down to this city by boat, viewing the enchanting scenery presented on the way, and arriving here in the evening. The editors will join with Portland in celebrating Independence day. July 5 is Memorial day, in honor of the newspaper writer and poet, the late Eugene Field. On this part of the programme, whose letters of acceptance Mr Herbert has with him, are named Melville E Stone, manager of the Associated Press, Chicago; D. Frank M Bristol, of the Metropolitan (President McKinley's) church, Washington; E C Stedman, the banker-poet of New York city; Slason Thompson, of the Times-Herald, Chicago; Page M Baker, of the Times-Democrat, New Orleans; and Rev F W Gunsaulus, of Chicago. These were all personal friends of Eugene Field.

The convention will be taken up with all manner of questions relating to newspaper-making. The work will be all completed Friday afternoon. After this, the courtesies of Portland and Oregon will be enjoyed. Four weeks have been allowed for the convention, and travel, counting the time for which the special trains leave Chicago and St Louis. This will leave at least eight days to this city and state, allowing also for stops by the editors on the return trip at both Seattle and Spokane. Both of these cities are arranging liberally for the visitors' entertainment.

"Non-Treating Club."

Oregonian: A button of the "Non-Treating Club," which was organized in Chicago, September 5, 1890, and which now numbers more than 20,000 members throughout the Eastern states, has reached Portland. It consists of the usual enamel disc, with a button-hole attachment, and bears the monogram "N. T. C."—nothing more. The wearer pledges himself simply not to treat any member of the club.

E T Monett, of Chicago, the originator of the idea, noticed as have all other observing men, that hundreds of boys without any particular appetite for liquor are led into bad habits through the practice of treating. The desire to be a "good fellow" prompts them to accept invitations to take drinks they do not want and to buy others they cannot afford, sometimes, including eight or ten acquaintances to "line up, boys; it's on me," and spending the last dollar of a meager month's salary with pay day 20 days away. Round after round of drinks are swallowed daily in this way; a craving for intoxicants is established, and time and liquor does the rest. With a view to putting a stop to this foolish practice, at least among a few friends, Mr Monett devised his scheme. Members of the club never treat each other. That was the first step toward moderation. Their friends at once saw the sense of the plan, and joined the club. A man seldom drinks save with his immediate friends, and as soon as all these had joined the club, the habit of treating stopped, as far as he was concerned.

The club grew and grew, till it got far beyond Mr Monett's ability to finance, and now those who are desirous of forming new clubs buy their own buttons by 100 lots, and distribute them among their friends.

The growth of the club is not looked upon with favor by saloon men.

Mr Hubbard's Story.

W F Hubbard, who was with Commissioner McGuire and Senator Reed when they were drowned last Saturday, gave the Roseburg Review the following story of the drowning:

"We got out of the boat a time or two before going over the rapids that appeared below us. And at the rapids above where the accident occurred (the Gilliam rapids) we about concluded to leave the boat and walk the rest of the way. But I told the others I could take the boat through if they would walk around. This they agreed to, and I went through all right. The river in this place makes an almost perpendicular fall of several feet. At the foot of these rapids Reed and McGuire got into the boat again, and we entered another series of rapids in a very short time. Reed said we ought to go ashore and look at them before we went through. I was rowing, and attempted to make the shore when a rowlock broke; Reed said we could paddle ashore. He took one oar in the bow of the boat, and I changed places with McGuire and took the stern seat, and we paddled to the bank on the right, which was overhung with brush. Reed seized hold of a branch, but the water was very swift and the boat dipped water, and he let go his hold, whether purposely or not I do not know. Had he held on, the swift current would have swamped the boat, anyway. We were swept into the main current, stern first, and, sitting back down stream, I attempted to keep the boat straight in the current. When the first real rapids were struck the boat dipped more water and quickly sank. McGuire struck out at once for the shore. I came up with the boat, holding to the stern, and saw Reed clinging to the bow. I concluded that in the rough water he would be best to let the boat go and swim for the bank. As I did so, and as the boat passed me, Reed had climbed upon it and was astride of the bow. I saved my strength and went down with the current until I saw a favorable point to make the bank, which I did after an effort, and drew myself out through the brush. When I could look around, neither Reed, McGuire nor the boat was in sight."