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Bank-Note Despotism.

The advocates of the gold standard have a double purpose: First, they desire to make gold the only tender for the payment of debts, public and private. I have discussed this question on former occasions and pointed out that the necessary effect of such a law would be to create a greater demand for gold, which would then be the only money legally available for the payment of debts, and thus aid the money-owing class and injure the wealth-producing class.

The second purpose of the advocates of the gold standard is to make bank notes the only credit money.

In response to your invitation, I beg to submit a few arguments in support of the greenback as against the bank note. The greenback is issued by the government, and the volume of such money is determined by the people, acting through their representatives. The supreme court has held that such a money can be made a legal tender. When a man has greenbacks in his pocket, he has money which is available for the payment of his debts; if he has bank notes his money is only good when the creditor is willing to accept the money.

During the war, when gold and silver were at a premium, bank notes circulated on a level with greenbacks, and were never worth any more: the reason being that national bank notes are payable in lawful money, and the greenback being lawful money (and at that time the cheapest money) was used by the banks for the redemption of bank notes. It is interesting now to hear these same bankers, who redeemed bank notes in paper when gold and silver were at a premium of over a hundred per cent, talk about the dishonesty of a debtor, whether the debtor be an individual or the government, who would redeem his obligations in anything but the dearest money.

The bank note has been good because it has had behind it the bonds and the greenbacks issued by the government. If the greenback is good enough to stand behind the bank note, it is good enough to stand alone without any bank note in front of it.

A national bank currency is objectionable because it is gross favoritism extended to a few. A bill presented by the House Committe on coinage, weights and measures in the last congress provided: First, that the treasurer of the United States pay out gold coin in redemption of greenbacks and treasury notes; second, that the secretary of the treasury have authority to issue gold bonds, drawing not more than 3 per cent, to secure the gold to maintain gold redemption; third, that national banks be allowed to deposit bonds and receive bank notes up to the par value of the bonds so deposited; fourth, that the tax on national banks be reduced.

If this plan goes into operation, the difference in its effect upon the individual and the national bank may be stated as follows: The greenbacks are to be retired and bonds issued. This will mean an increase in taxes to pay the interest upon the bonds. The individual who enjoys no special privileges will find his taxes increased, while the national bank, that enjoys special privileges will find its tax diminished. Second, if the individual buys a bond at par, he will lose the use of his money and must content himself with the three per cent interest. If a national bank invests its capital in bonds at par it can deposit the bonds and secure bank notes to the face value of the bonds, thus securing a return of its investment, and in addition to that it can draw 3 per cent interest upon the bonds. In other words, the individual parts with his money and draws interest, while the national bank gets its money back and draws interest besides. The individual must eat his cake or keep it. The national bank both eats its cake and keeps it. This is favoritism that ought not to be tolerated in a government which recognizes the doctrine of equality before the law. The moment the government begins to confer special privileges those in a position to profit by favoritism begin to clamor for legislation immediately in their interest, and as a result, the instrumentality of government is used for private gain and the true purpose of govern ment is forgotten.

There is another objection to national bank currency, namely: That the national banks are given control over the volume of credit money. Power to issue money should never be intrusted to private individuals or private corporations. Jefferson was an opponent of banks of issue, and in one of his letters declared that his opposition was so persistent that he had been denounced as a maniac by those bankers who desired to secure this privilege from the government. Benton, in summing up the work of Jackson, gave emphasis to his fight with the national banks, and compared his work with the work of Cicero, saying that when he destroyed the bank conspiracy he saved America, as Cicero had saved Rome by overthrowing the conspiracy of Cataline.

Wendell Phillips has so well described the danger of allowing private individuals to control the volume of money that I quote from a speech made by him a few years before his death.

"In other words, it was the currency which, rightly arranged, opened a nation's well springs, found work for willing hands to do, and filled them with a just return, while honest capital, daily larger and more secure, ministered to a glad prosperity. For it was currency, wickedly and selfishly juggled, that made merchants bankrupt and starved labor into discontent and slavery, while capital added house to house and field to field, and gathered into its miserly hands all the wealth left in a ruined land."

The first question, therefore, in an industrial nation is, where ought control of the currency to rest? In whose hands can this almost omnipotent power be trusted? Every writer of political economy, from Aristotle to Adam Smith, allows that a change in the currency alters the price of every ounce and yard of merchandise and every foot of land. Whom can we trust with this despotism? At present the banks and the money kings wield this power. They own the yardstick, and can make it longer or shorter as they please. They own every pound weight, and can make it heavier or lighter, as they choose. This explains the riddle, so mysterious to common people, that those who trade in money always grow rich even while those who trade in other things go into bankruptcy. The third objection to national bank of issue is, that the moment it becomes for pecuniary reasons, the enemy of any government paper.

The banks are now urging that the issue of paper money is a function of the banks, and that the government ought to go out of the banking business. Our answer is, that the issue of money is a function of government and that the banks ought to go out of the governing business. The government cannot afford to build up a strong financial interest hostile to the exercise by the government of the right to issue and control both the metallic and paper money of the nation.

WILLIAM JENNINGS BRYAN.

Pensions.

EDITOR COURIER-HERALD:

At the open meeting of the A. O. U. W. in this city last Friday night there were so many reasons given by the speakers why people, especially those at the head of families, should make assurance doubly sure and secure security against poverty and want by insuring in associations of mutual benefit, that I wish to say a word to your readers about it. Orders of this kind are in existence and many more are in process of formation. The tendency is toward making sure of at least a partial support until the dependent family can secure employment or means of getting a livelhood, and is every way commendable as evincing a Christian and philanthropic spirit following the Divine command "love one another."

The idea has, however, led me into this train of thought. Why not have an insurance method by which all may be exempt from care or the fear of poverty and destitution on the death or disability of the support of the family. Why not have a system, by which all of wage-earning age shall pay into a common fund a sufficient sum that shall entitle the contributor to a guarantee of the comforts and necessities of life while it lasts, and an assurance that the widow and children shall be provided for until they are enabled to support themselves? The children to be sure of educational facilities and all that goes to make the true, worthy and iedependent citizen the pride of their community and honor to their country. The means to bring this about on a practical basis should be the study of all the societies of a beneficient nature.

The United States, more than any other nation, is blessed with a people, who are both willing and anxious that those, who have in any way shown their loyalty and courage with loss of health or life, shall be sustained with comfort or buried with honors. The crippled veteran and his family are assured of a decent competence while living and if not surrounded with family or relatives, a pleasant, comfortable assignment to a soldiers' home enables him to live easily and without effort the remainder of life and the American soldiers and sailors consolation while the battle rages is that if he falls a just and generous country will see that want and hunger will be no part of his life while waiting for death. There are those, of course, who insist that the nation is paying too large a sum in pensions to its veterans, but we would remind those false economists that the $145,000,000 paid to pensioners is not one-half the amount paid to useless ornamental appendages called railroad presidents, or one tenth the amount taken by the trusts from the people in exactions in all lines of commerce. In fact, a thorough revision of the pension list should be made and an additional allowance of from 25 to 50 and even 100 per cent should be added, especially to those, who from age and wounds are wholly unable to contribute to their own support. The $300,000,000 paid annually to railway presidents whose combined useful labor is not equal to the work of the postmaster general at Washington should be lopped off at least 90 per cent and at least 50 per cent of the whole added to the pension list then the old soldier would not be eternally fearing a a change of administration effecting his pittance. The people are in favor of every dollar necessary for the veterans comfort being paid him, not in the way of charity, but because he has earned it, but they will not long continue the practice of donating to a horde of pampered aristocrats enormous sums of money, which they never have or can earn, or consent to exorbitant charges on freights and passenger traffic that will enable the idle voluptuary to remit the interest of $30.000,000 to the degenerate daughters married to foreign titles in European capitals, also the thoroughly excessive and unjust salaries paid to many of the life insurance presidents, like the N. Y. Life, the Equitable, the Mutual, etc., ranging from $100,000 down per annum. It is estimated that at least $375,000,000 are taken from this country by these companies, fire, life and marine.

Therefore, a National Insurance Association that would insure to all a sufficiency for old age or accident in the same way that is guaranteed to the veteran soldier or sailor whose comfort and welfare is the nation's duty, should be the subject for serious thought on the part of our people and their representatives, state and national, and, whenever the people shall own the railroads, telegraphs, telephones and other necessities that are monopolized by the favored few, and cut off the extravagant gratuities paid their officials which they now receive in addition to millions of dollars of unearned dividends they will be enabled to pay their employees good wages and insure them against the evils of poverty.

CANBY, Oct 7. J. D. STEVENS.