

WHERE HAS ALL THE GOLD GONE?

Nearly Three Billion Dollars Has Disappeared Leaving No Trace.

The Mississippi democratic platform congratulates the country on an addition to the world's stock of money in the past eight years of \$2,000,000,000 in gold, and attributes this to an act of God through human instrumentality of discovery and invention. Such a declaration will scarcely be accepted by the business men of the country as an equivalent of a simple declaration in favor of the maintenance of the gold standard, but, certainly, the enormous increase in the production of gold in the past few years may well be attributed to an act of God, who stored this wealth in the hills, and inspired men with courage and skill to discover and mine it.

The increase in the production of gold has been nothing less than marvelous. In 1873 the world's stock of gold was estimated at \$1,208,800,000. On January 1, 1903, the world's stock of gold was estimated at \$5,382,600,000. Here is a gain of \$4,000,000,000 in thirty years. The Wall Street Journal a few days ago published statistics showing that the gold production since the year 1800 had amounted to \$8,903,400,000. In all the preceding years since the discovery of America by Columbus, the total production was \$2,456,800,000. More gold has been produced since 1891 than in the three centuries preceding 1800. Of the total production of gold since the discovery of America, nearly one-half of it has been mined in the last thirty years and of this amount thirty per cent by the United States.

But, while the enormous production of gold may well amaze us, the problem of its distribution puzzles us. Where has all the gold gone to that has been produced since the Lydians began to coin money? The world's production of gold since 1873 accounts for all except about \$800,000,000 of the present stock of gold in the world, and the production from 1860 to 1872 was more than double \$800,000,000. Where, then, has all the gold gone to that was mined before 1860? Apparently there is no trace of it anywhere, unless it be found in the art objects in which gold is used.

The amount of gold that goes into the arts and sciences varies each year, and its amount is by no means easy to determine. The director of the mint estimates that in 1902 the industrial consumption of gold amounted to \$75,764,400. The total production of gold in that year was about \$259,000,000, so that the use of gold in the arts and industries amounted to a little over twenty five per cent of the amount mined. Accepting this percentage as a basis for calculation, it would appear that of the total production of gold from 1492 to 1903, amounting to \$10,985,181,000, the proportion that went into the arts and industries was \$2,746,295,250. This leaves a balance of \$8,238,885,750, which should appear it would seem, in the records of the world's stock of gold. But

as a matter of fact the total stock of gold in the world on the first of January, 1903, was, as has been stated, \$5,382,600,000. This leaves \$2,856,285,750 of which there appears to be no trace.

Has this vast wealth been lost in the past four centuries, or is any large proportion of it still in existence, a hidden reserve upon which drains may be made in times of special demand? Various answers, it is evident, might be made to such an inquiry. Professor J. Laurence Laughlin, of Chicago, last year hazarded a guess as to the disappearance of this large sum of gold, which he estimated in 1901 as amounting to \$1,500,000,000, but which, on the basis of the estimate which we have made for 1903, should be more than \$2,800,000,000. Professor Laughlin suggests that the immense sum is largely held in reserve "by great financial houses in Europe, and by many other private bankers, the character of whose business does not require them to make public reports of their specie holdings."

If Professor Laughlin's guess is correct, this is a fact of enormous importance. One thing is certain, that the amount of gold in the world must be very much larger than the estimates made by the director of the mint show. In view of the immense needs of the various governments of the earth during the next few years, and of the efforts that are being put forth to put China and Mexico on the gold basis, the probability that there is more gold in reserve than appears in the records should inspire increased confidence. —Wall Street Journal.

WILL START SINKING AT THE BLACK BUTTE

O. C. Wright, manager of the various Wheeler properties, returned last night from the Black Butte, in Fox Valley.

Development is being carried forward energetically at this property, says Mr. Wright. The crosscut has reached the first station, from which point the shaft will be started.

Construction work on the Blue Bird mill has already started. A force is now at work on both the mine and mill. This is to be largely increased at once. The plan is to complete the mill just as soon as possible, Mr. Wright says.

O. R. & N. SUMMER BOOK.

The handsome 1904 summer book, "Restful Recreation Resorts," issued by the passenger department of the Oregon Railroad and Navigation company, is just out. It tells all about the summering places of the Columbia river valley—a brief description of the trips up and down the Columbia river, to the mountains, beaches, inland resorts and fountains of healing, where they are and how to reach them. The book has a special designed front cover, printed in two colors, and the inside pages are splendidly illustrated by costly and beautiful half-tones. A copy of this publication may be obtained by sending two cents in stamps to A. L. Craig, general Passenger agent of the Oregon Railroad and Navigation company, Portland.

E. L. Kennon, Whitney, Oregon, lumber, sash, doors, shingles, building material, mining timbers.

Local Option.

During the past few days the Baker City Herald has had much to say regarding the campaign for local option in this county. Yesterday it stated:

Petitions are being prepared and signers will be waited upon within the next few days to bring about a vote at the regular election in November to determine whether or not liquors will be sold in Baker county.

Only four precincts are excepted in the petition and this means that many saloons will come under the ban of the local option law, should it carry. If local option carries all the saloons in the prohibited territory will be closed after January 1 of next year.

Two precincts in Baker City and two in Sumpter are to be excepted from the test and no attempt a present will be made to stop the sale of liquors in these precincts. Precincts Nos. 1 and 2 in Baker City and North and South Sumpter precincts are left out of the petition by the local option leaders.

They say that the recent election shows that Huntington, Durkee, Pleasant Valley, Haines, North Powder, and all other places in the country having saloons outside of the precincts named in Baker and Sumpter are in favor of local option and they are going to give them a chance to vote on the matter.

"There will be hundreds of saloons in the state of Oregon that will cease business after January 1 of next year," said Local Option Advocate Tufts yesterday. "Twenty-four counties went local option in the state and the people know what they are doing. The idea that it carried by reason of the people not knowing what they were voting for is a mistake. Hundreds of people have become convinced of the curse of the liquor traffic and they will go to the polls and vote down its sale. There will be no surmises all over the state after the November election. We have made a close canvass of the subject and we know what we are doing. We are to call for an election in the territory where we expect to win and are not going to mince matters in the work. We are going to make a fight to win. And we are going to win in more places than we lose."

Joe Mikel went up to the Cracker Creek district today, where he is superintending development work on the Nine Strike.

ADMINISTRATRIX'S NOTICE.

Notice is hereby given that the undersigned, Nellie Rusk, has been duly appointed administratrix of the estate of Sanford Rusk, deceased, by the County Court of the state of Oregon, for the county of Baker. All persons having claims against said estate are hereby required to present the same properly verified, to me, at the office of Chas. H. Chance, attorney at law, Sumpter, Baker county, Oregon, within six months from the date of this notice.

Dated this 29th day of June, 1904.
NELLIE RUSK,
Administratrix of the Estate of Sanford Rusk, deceased.

NOTICE TO CREDITORS.

In the County Court of the state of Oregon for the county of Baker. In the matter of the estate of T. M. Lavin, deceased.

Notice is hereby given by the undersigned administrator of the

estate of T. M. Lavin, deceased, to the creditors of and all persons having claims against said deceased, to exhibit them with the necessary vouchers within six months after the first publication of this notice to said administrator, room 5, First National Bank building, Sumpter, Oregon, the same being the place for transacting the business of said estate, in the county of Baker and state of Oregon.

Dated June 29, 1904.

FRED FONTAINE,
Administrator of the Estate of T. M. Lavin, deceased.

NOTICE OF FORFEITURE.

To Ole Linquist, Peter Soderberg and to you and each of your heirs, executors, administrators, and assigns are hereby notified that I the undersigned, your co-owner of the following named quartz mining claims, to-wit: The "Center Star" the location notice of which is recorded in the Quartz Records of Baker county, Oregon, in Volume "M" at page 197 thereof and the "Center Star Extension" the location notice of which is recorded in the Quartz Records of Baker County, Oregon, in Volume "M" at page 198 thereof which notices were so recorded on the 16th day of March, 1899, have expended the sum of \$100 per claim and upon each thereof for the years of 1900, 1901, 1902, and 1903, that said sums so expended each year was for the benefit, improvement and development of each thereof and as the annual work, labor, and improvements as required by the laws of the United States of America and of the state of Oregon.

And you and each of you are further notified that should you fail, or neglect to contribute and pay to me, your co-owner of said claims your proportionate shares of such yearly expenditures, which is the sum of \$66.66 2-3 each, for each of said years above mentioned, amounting to the sum of \$266.66 2-3 for each of you to so contribute or pay, within ninety days from the date of the first publication of this notice, and in case of you and each of you failing to so pay to me the said sum, your respective interest in said quartz claims will become the property of the undersigned as by law provided.

First date of publication of this notice being the 5th day of May, 1904.
H. B. GRIFFIN.

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PROPRIETOR