

A SPECIFIC PROPOSITION

The Emmetsburg Reporter is opposed to a bank currency based on general assets. It believes the advocates of such a currency are very likely to be deceived, for it finds that very able men and presumably very honest men have, during the past forty years, advocated many foolish financial measures from an irredeemable paper currency to "the Bland-Allison silver purchase act." Among those who are afflicted most grievously with the asset currency vagary the Reporter names the Register and Leader conspicuously.

At the outset it may be admitted that no sentiment has been developed in favor of a currency based on bank assets that encourages the belief that legislation will be enacted in the near future. The discussion is therefore wholly academic. There is not even enough sentiment in favor of an emergency currency, such as Secretary Shaw has suggested, to secure its adoption, at least there has been no public expression of it. But in the end some change is going to be made in our banking laws and some lee-way is going to be granted to banks to meet emergency demands for money, for other countries have proved that an elastic currency satisfies a real demand of business, and government bonds are going to prove less and less adequate as the basis of our bank issues. An academic discussion therefore that has no reference whatever to legislation immediate or remote is not without some prospective benefits.

To come at once to a specific proposition, what has the Reporter to say to the statement that we take from the United States Investor? It is perhaps proper to say, before quoting this financial authority, that it is not an organ of Wall street, and that in the article from which we quote it says that "Wall street is perhaps as bad a place as one could go to for clear-sighted views of finance." The United States Investor has figured out exactly what impairment of the stability of our national banks such an asset currency as has been proposed would occasion, in the following paragraph:

"In April this year the total national bank capitalization was about \$735,000,000. Suppose the banks were allowed to issue asset currency up to 75 per cent of their capital; this would mean an additional lien of about \$550,000,000 on the general assets of the banks. Now let us see how much of a lien already exists against these assets. Ignoring trifling items, and ignoring also circulating notes and government deposits (which are specifically secured by deposits of bonds with the government), and including individual deposits and amounts due other banks, we find about \$4,386,000,000 of obligations. To meet these we find a sum of about \$5,618,000,000, including loans, securities owned, real estate and buildings, amounts due from other banks and from clearing houses, and specie and legal tenders. We take an account of \$734,900,000 of capital, \$354,000,000 of surplus, and \$177,089,346 of undivided profits, a considerable portion of this total is of course included in the foregoing assets—as for instance, in securities, banking buildings and fixtures, bonds to secure circulation and government deposits, etc. This rough figuring shows a margin of about \$1,233,000,000 between the principal assets of the banks and the principal liabilities, in favor of assets.

Now if the banks had outstanding \$550,000,000 general asset circulating notes, there would still be a margin of safety of \$483,000,000. And the fact must not be ignored that the capital stock is subject to one hundred per cent assessment."

Will the Reporter go over these figures carefully and point out wherein the plan that has been suggested would imperil the stability of our currency, or wherein such a plan bears any relation to irredeemable paper money, to 50-cent silver dollars, or to any of the other financial vagaries that have at one time or another received the indorsement of the good people to whom it refers? Will the Reporter come right down to the specific proposition that has been submitted and point out wherein it introduces a dangerous element into our monetary system?

That this country needs a more flexible currency, the supply of which will be responsive in some degree to the demands of business, and that will allow any section to utilize its credit in times of stringency, ought to be apparent to everybody. By what means shall such a currency be supplied? Or what sort of a currency should it be? Has anything better been proposed than a bank currency that cannot be used as part of the permanent reserves, that will not inflate the permanent money supply, and will not be available to promote speculation, but that will serve the purpose of money in the trade centers in times of money stringency? And is there any safer asset upon which to secure such a currency, outside of gold and national bonds, than the assets which the law allows the national banks to hold?—Des Moines Register and Leader.

Rising Silver and Philippine Coinage.

Officials of the treasury department are worrying over the advance in the price of silver. What they fear is that the price will go so high that the new Philippine peso will be worth more as bullion than as coin.

The first question that suggests itself in this connection is, Why should the treasury officials borrow trouble about that?

The Philippine government reports to the war department. President Roosevelt laid particular stress upon that fact in bestowing praise upon Secretary Foot. The war department has jurisdiction over the finances as well as everything else in the Philippines. If the pesos manifest a disposition to hold aloof from circulation because of their superior value the correct thing will be to issue a military order commanding them to attend strictly to business and not get proud.

But even if the matter came within the jurisdiction of the treasury department its officials would have little cause for worry. It is true that the first purchases of bullion for the Philippine coinage were made at about 49 cents per ounce and that as high as 58 1-4 cents has since been paid. But the price has fallen again to 56 1-8, and it will have to go 8 1-2 cents higher before the peso will be worth more as bullion than as coin.

Besides, in the Philippines, where silver is the common retail money, the peso is likely to remain in general use even if it becomes somewhat more valuable as bullion.

What is of chief importance in this connection is the fact that if silver bullion goes to 64 1-2 cents, or even to 64, not only will the United States cease to purchase for the Philippine coinage, but Japan and Russia will cease to purchase for their home coinage for the same reason, and probably the government of India will cease to purchase for rupee coinage. The advance would also check purchases for industrial uses.

This sudden closing of vents for sil-

ver would not only stop the rise, but cause a fall in bullion and increased production induced by the rise would heighten the effect.

Add to this the fact that the rise would bring out the accumulated stock of bullion, which probably is considerable, and it will be seen that there is no great danger of the sudden withdrawal of the Philippine pesos from circulation.—Chicago Chronicle.

Birthday for Each Sex.

With the exception of the emperor there are no individual birthdays in delightfully interesting Japan. The people, however, make up for this neglect by having a sort of general birthday of everybody in common, which is celebrated with great rejoicing.

There are two of these general holidays, one for each sex. The male birthday, which is known as the "celebration of the boys," occurs on the 3rd day of the third month and the girls on the 5th day of the fifth month. These days are generally put aside and boys and girls respectively receive presents according to their station.

The birthday of the emperor, or Ten-o, as he is more properly styled, is also a general holiday for the Japanese everywhere. The houses are all decorated with flags, and in the evening the streets are gay with the lights of innumerable colored lanterns. In the morning the highest authorities go to the palace and offer their congratulations in person and the lower degrees offer them vicariously to their superiors. All the Japanese would, somehow or other, congratulate their monarch on having added another year to his age.—Chicago Chronicle.

"No Breakfast" Plan Cure.

Cured of rheumatism after more than forty years of suffering, Miss Millensie Rose, of Morristown, N. J., now sings the praises of the "no-breakfast" idea, which she says is the sole cause of her marvelous recovery.

Miss Rose is sixty-eight years of age. Since her twenty-first birthday she has been unable to walk more than a few hundred feet from her doorstep. Her fingers were twisted and knotted until she could barely move them.

Now she walks four or five miles a day without the least pain. The "no-breakfast" plan was introduced by Mr. Sherman, formerly a Presbyterian clergyman.—New York Herald.

STEEL ROOFING.

Strictly new, perfect, Semi-Hardened Steel Sheets two feet wide, six feet long. The best Roofing, Siding or Ceiling you can use. We furnish nails free and paint roofing, two sides. Comes either flat corrugated or "V" crimped. Delivered free of all charges to all points in U. S. east of Mississippi River and north of Ohio River at \$9.25 PER SQUARE. Prices to other points on application. A square means 100 square feet. Write for Free Catalogue No. 334 on material bought from Sheriffs' and Receivers' Sales. CHICAGO HOUSE WRECKING CO., W. 56th and Iron Sts., Chicago.

BLIND FOR YEARS

Mrs. C. H. Sweetland, Hamburg, Ia., had her sight restored at her own home by the Oreal Dissolvent Method. Cataracts and all other Eye Diseases cured quickly and at small expense. Cross-Eyes Straightened in two minutes. Always successful. Re-formed in all eyes parts of the world. Illus. book FREE. OREN ONEAL, M. D., Suite 121, 52 Dearborn St., Chicago.

\$75 Month and expenses; no experience needed; position permanent; self-seller; PEASE MFG. CO., Stat'n 59, Cincinnati, O.

STARK best by Test—75 YEARS. We PAY CASH WANT MORE SALESMEN PAY Weekly \$100.00. Stark Nursery, Louisiana, Mo.; Louisville, Ky.

Advertisement for a Gold Watch and Chain for \$3.50. Includes an image of the watch and text describing its features and guarantee.

Advertisement for Farm Bargains, offering farm land for sale with details on how to purchase.

Advertisement for 10 CENTS Gospel News, featuring various religious articles and sermons.

Advertisement for a 2 H.P. Gasoline Engine for \$60, highlighting its features and availability.

Advertisement for Acetylene Gas, describing its uses for lighting and power generation.

Advertisement for Dr. Miles' Nervine, a medicine for nervous ailments, with a testimonial and contact information.