VARY WEIGHT OF DOLLAR AND MAKE PRICES STABLE, IS A SUGGESTION

THE cost of living is a problem with which eager minds the world over are grappling in an effort to find a solution which shall restore the people to a greater degree of comfort and allay the unrest noticeable in nearly every country.

High prices are declared by some to be due to too few goods in the world, resulting in competition of country against country and individual against individual for possession of what goods are to be had, with corresponding advances of prices. By others high prices are ascribed to money inflation with a lowered purchasing power, and by still others to a combination of circumstances centering around labor shortage and consequent bidding up of wages and shortening of hours which, by adding greatly to the cost of production, reacts directly on the prices consumers must pay.

Irving Fisher, professor of political economy in Yale university, says prices won't come down because they have been inflated by increased money and bank deposits and these, caused by war finance, cannot soon, if ever, be retired without distress and nearbankruptcy to the governments and banks that issued them. He says that outside of Russia the money of western civilization has increased from $15,000,000,000 to $45,000,000,000 and the deposits in banks from $27,000,000,000 to $75,000,000,000. He says this tripling of a purchasing medium without any increase of things to purchase has tripled the world's prices. He says the world is not growing poorer, but that the dollar is growing smaller in purchasing power, and adds:

"The public always overlooks the fundamental hidden cause which always controls the price level—the quantity of money (and circulating credit substitutes for money) and fix their eyes on little details which they magnify many fold. Profiteering, trusts, labor unions, strikes, marketing by telephone, extravagance, drouth and all the 40 other explanations which have been offered have about as much influence on the H. C. L. as a rainstorm has on the height of Pike's Peak . . . . We must realize that what seems to be a simultaneous rise and fall of hundreds of commodities is really a rise and fall of the dollar in reference to which we view these commodities."

This is prefatory to Mr. Fisher's main argument which is that the purchasing price of commodities should be stabilized by varying the value of the dollar, the result being that the workman will always receive his $5 a day, it that is his wage, and that that $5 will always have the same purchasing power but that the actual value of the dollar in fine gold will be made greater or less to correspond with commodities which the dollar is to purchase.

Beginning this argument, Mr. Fisher says:

> A dollar is 25.8 grains of standard gold—that is, of gold nine-tenths fine; and, since an ounce is 480 grains, the number of dollars in an ounce is 480 divided by 25.8, or 18.60. In other words, any 100-ounce lump of standard gold taken by a gold miner to the mint can be cut up and coined into 1,860 dollars and handed back to him. Naturally he gets $18.60 an ounce, and this "price" can never vary so long as the weight of the dollar does not vary.
>
> Thus 100 ounces of gold will always be worth 1,860 dollars of gold so long as 1,860 dollars contain 100 ounces of gold; just as a quart of milk will always be worth two pints of milk so long as two pints make a quart. Gold is stable in terms of itself, and in terms of itself only. Fixing the dollar at 25.8 grains of gold fixes the price of gold at $18.60 a ounce. But, of course, this fixity of dollar weight, or of gold price in terms of gold, does not fix its price or value in terms of other commodities.

He goes on to say that a Mexican gold dollar weighs about half as much as ours and has less purchasing power. Now, if Mexico should adopt the same dollar that we have and that Canada has, its purchasing power would rise; that is, the price level in Mexico would fall. The heavier or lighter the gold dollar, the more or less will be its purchasing power.

It follows, says Mr. Fisher, that if we add new grains of gold to the dollar just fast enough to compensate for a loss of purchasing power in each grain or, vice versa, take away gold to compensate for a gain, we shall have a "fully compensated" dollar, a stationary instead of a fluctuating dollar, when judged by its purchasing power. He adds that the alteration of the purchasing power of a gold dollar is not at all an impossible feat; that it has been accomplished twice, once in 1834 when the weight of the gold dollar was reduced seven percent and again in 1837 when it was increased one-tenth of one percent, and says that if it can be changed once or twice a century it can be changed once or twice a month.

This can be accomplished more easily, if Mr. Fisher's hypothesis is worth anything, because of the fact that gold now circulates almost entirely through the medium of "yellowbacks" or gold certificates. The gold itself, not often in the form of coins but of bar gold, lies in the government vaults. The gold certificates have to be backed, dollar for dollar, by a corresponding weight of gold in the government vaults. To increase the value of the paper dollar, therefore, it is only necessary to increase the weight of gold to redeem that dollar.

To show how his plan would work out, Mr. Fisher says:

> "If, for instance, the index number representing the current price of a composite basket of goods is found to be 1 per cent. above the ideal par—that is, above the one dollar price it had at first—this fact will indicate that the purchasing power of the dollar has gone down; and this fact will be the signal and authorization for an increase of 1 per cent. in the weight of the gold dollar. For what is added to the weight of the gold dollar will be registered in the purchasing power of its circulating certificate.
>
> "If you ask how I know that this 1 per cent. increase in the weight of the gold dollar is just sufficient to drive the index number (or price of our composite basket of goods) back to par (or one dollar) I answer that I don't know, any more than I know, when the steering wheel of an automobile is turned, that it will prove to have been turned just enough and not too much. Many things may interfere in a month. But if the correction is not enough, or if it is too much, the index number next month will tell the story. Absolutely perfect correction is impossible, but any imperfection will reappear at the next date for adjustment and so cannot escape ultimate correction.
>
> "Suppose, for instance, that next month the index number is found to remain unchanged at 101. Then the dollar is at once loaded an additional 1 per cent. And if, next month, the index number is, let us say, 100½ (that is, one-half of 1 per cent. above par), the one-half of a per cent. will call for a third addition to the dollar's weight—this time one-half of 1 per cent. And so, as long as the index number persists in staying even a little above par, the dollar will continue to be loaded each month, until, if necessary, it weighs an ounce—or a ton, for that matter. But, of course, long before it can become so heavy, the additional weight will become sufficient; so that the index number will be pushed back to par—that is, the circulating certificate will have its purchasing power restored."

This plan would, of course, make desirable the discarding of coin as money in favor of gold certificates backed by the gold dollar on deposit in government vaults.

It is a new idea. In theory it would end the reactions, one upon the other, of higher wages and higher prices by stabilizing the purchasing power of the dollar and thus stabilizing prices. What it would do in practice hardly can be foretold because it has not been tried. It has been approved, however, by president Hadley, of Yale university; Frank A. Vanderlip, George Foster Peabody, John Perrin, Henry L. Higginson, Roger W. Babson, John Hays Hammond, John V. Farwell, senator Robert L. Owen, the late senator Newlands, Sir David Barbour, the Bridgeport, Conn., chamber of commerce, the Waterbury chamber of commerce and several other influential business bodies. Action on it would be up to congress. It is worth more than just a passing thought.

The Navy And Merchant Marine.

THE United States is now second among the powers of the world in naval strength and is now making rapid progress toward overcoming Great Britain's narrow lead, it is disclosed in the navy year book for 1919. This year book contains official data of the navies of the world for the first time since 1914.

The advance of the American navy is due partly to its great expansion and partly to the partial elimination of the German imperial navy which at the time the United States entered the war was rated as second only to that of Great Britain. The order now follows: Great Britain, the United States, Japan, France, Germany, Russia, Italy and Austria. There is a surprise in that statement, inasmuch as the belief has been general that the German and Russian navies had disappeared.

There is gratification in the fact that the United States is overhauling all competitors for naval supremacy, inasmuch as our navy is apt to figure in any future war more than land forces. We must maintain a strong navy at all times to avert war by discouraging those who may contemplate aggression against the United States. It should stand as a preventive and a means of curing the war disease.

Even more gratifying is our tremendous increase of the merchant marine. In 1914 only a dozen or so ships engaged in trade flew the American flag. Now the emblem of the United States flies at the masthead of more than half the commercial ships of the world. The strength of the merchant marine is affording great comfort to American business interests and corresponding disquietude to foreign commercial rivals.

The American people must not forget that future security of the United States rests in a big navy and an army made strong by universal military training, whether or not there is a league of nations.

A bandit held up an automobile back in New York and robbed it of $20,000 worth of silk. That is saying a good deal about the value of silk in relation to its bulk.

The Bolshevik of today is the hobo of other days who refused to work and said the world owed him a living. Only now he proposes to take it by violence.

Poland, crushed to earth, has risen again and in future years no enemy hand will harvest what Poland has planted.

Universal disarmament is a dream of idealists who forget human nature.

Let every man mind his own business.

—Cervantes.

The Teacher And The Pupil - *By Hal Coffman*

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ARMY RESERVE MEN WANT TO ENLIST IN THE MARINES

A number of men in El Paso in the army reserve corps want to join the marines, according to Sergt. A. P. Athenour, who is in charge of marine recruiting in El Paso. The sergeant wired headquarters in Los Angeles Saturday asking permission to enlist these men.

The marine sergeant is assisted in recruiting work here by Corpl. Thad Forney. They have headquarters at 125 Mesa avenue.

KWIZ

Answers to Yesterday's Kwiz.

1—Cardinal Newman was a celebrated prelate of the Roman Catholic church and noted writer.
2—Eleanor Franklin Egan is a celebrated American woman war correspondent. In the great war she visited every front.
3—Granite is mined in quarries in many sections of the country although the finest varieties are obtained in Vermont and other New England states.
4—The Rev. Neal Dow was one of original prohibition leaders in this country. He was a Maine preacher and more than 50 years ago that state went dry by constitutional amendment through his efforts.
5—Athens is the metropolis of modern Greece. The population is about 187,000.
6—In England elevators are called "lifts."
7—Cassia is a coarse variety of cinnamon.
8—Paper upon which newspapers are printed is made from wood-pulp chemically treated.
9—The Apollo Belvedere is a famous sculpture, now in the Vatican in Rome. It is regarded as one of the most famous sculptured representations of the human figure.
10—According to popular tradition "the happy hunting grounds" was the mode of expressing the hereafter used among the North American Indians.

New Questions.

1—What is a linnet?
2—What is a spinnet?
3—What is heroscope?
4—Who was Cotton Mather?
5—What is a stand pipe?
6—For what degree does the abbreviation "C. E." stand?
7—Who was Peter Stuyvesant?
8—What is alimony?
9—What is an alumet?
10—What is the difference between gasoline and kerosene?

Answers Tomorrow.

(Reg. Pat. U. S. Pat. Off.)

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they have always been considered proved themselves 100 percent fighters and I rather think that they were 100 percenters in numbers in the allied armies as well."

* * *

"We expect a total return of $150,000 for the cotton crop this year or an income of $300," said E. A. Roberts, electrical engineer of Carlsbad, N. M. "The crop in our section is certainly a fine one, but the great handicap is the scarcity of pickers and the cost is high. We have forty gins in the cotton district and in Carlsbad."

Serpent worship is one of the oldest forms of religion.

A Human Picture Of Col. Roosevelt

—Copyright by C. LeGendre

THIS likeness of Col. Roosevelt is called "the most human picture ever taken of the most famous American." In contrast to most of his photographs, it shows the love and human kindness in his features relaxed.

Monday is the birthday anniversary of this great American and the event will be observed in El Paso with a memorial at the Y. M. C. A. at three oclock Sunday afternoon, at which James G. McNary will preside and Zach. Lamar Cobb and U. S. Gonz will speak.

Music for the memorial Sunday will be led by Charles J. Andrews, including singing by the audience of Mr. Roosevelt's favorite hymn, "How Firm a Foundation," and several numbers by a quartet composed of Mrs. J. J. Kazter, Mrs. C. J. Andrews, C. J. Andrews and J. Frank Cheek.

James L. Marr, county chairman in charge of the collection of El Paso's quota for the Roosevelt memorial fund, hopes to close up the work here on the birthday anniversary of the great man. The fund has not yet been completed and Mr. Marr believes there are enough El Pasoans who would feel honored to give to this fund, to "clean it up" immediately. He hopes they will send their contributions at once to him or to the First National bank.

.·. *Patter And Chatter* .·.

By S. E. KISER

Pa Sees Sun Spots.

PA THINKS that spots upon the sun
are causin' trouble here;
He speaks about the wrong that's
done, his heart is full of fear;
"There's fights and strikes everywhere," he says to ma and me;
"The weather's hardly ever fair, the way it used to be;
Men run away with people's wives; and see the prices, too;
Folks can't be livin' peaceful lives the way they used to do.

"LOOK how they charge for milk and meat and everything we wear;
Just notice when you're in town the loafers loafin' there,
Yet people that has work to do can't get no help, they say,
And every day there's something new to drive our hopes away;
We hear about the Bolsheviks that want to kill an' burn;
There's nothing that we get but kicks, whatever way we turn.

"THERE'S trouble everywhere you look; we've lost our freedom, too;
Unless you learn to be a crook your chances here are fey;
An honest man don't have a show and decency is dead;
It seems that everywhere you go the folks are mein' sad;
There's strikes and riots and distress and trouble by the ton;
The world is all upset, I guess, by spots upon the sun."

MA SAT and darned a little while; there seemed to be no end
To all the socks piled in a pile that she'd brought out to mend;
So when she spoke the said: "I fear the spots you speak about
May be upon your liver, dear; we'll best be findin' out."
Pa emptied out his pipe and run his finger through hi hair;
There may be spots upon the sun, but he forget to care.

Ye TOWNE GOSSIP

Registered U. S. Patent Office.

By R. C. R.

BOTH Mr. Claypool and I are happier today for a letter which I received this morning, brought out because of an article in The Herald by Mr. Claypool. The letter is from a father with a heavy heart, who wants to tell us that he can see a brighter day ahead. I am printing his letter below:

DEAR R. C. R.:

* * *

YOU'LL PARDON my intrusion.

* * *

ALSO MY clumsy literary efforts

* * *

BUT I'VE a wife and child.

* * *

THAT I haven't seen since 1916.

* * *

NOBODY KNOWS the sacrifices.

* * *

SHE HAS made for me.

* * *

BUT SOME day—how brightly.

* * *

THE SUN will shine.

* * *

AND HOW sweetly will the birds sing.

* * *

THAT WILL be the day she comes.

* * *

'TIS MEN like you and brother Claypool.

* * *

WHOSE WRITINGS help us.

* * *

TO "PUT our best foot forward."

* * *

AND BE better men.

* * *

AND BETTER fathers.

* * *

THE SHRILL toot.

* * *

OF A passing freight.

* * *

AS IT wheezingly crawls.

* * *

UP THE grade.

* * *

NEAR Fort Bliss.

* * *

INTERRUPTS my reverie.

* * *

AS I sit dreamily

* * *

GAZING townward.

* * *

WHERE a myriad o' lights

* * *

TWINKLE in the darkness.

* * *

LIKE fireflies.

* * *

OCCASIONALLY a puff of wind.

* * *

FROM out the west.

* * *

SWAYS the high weeds to and fro.

* * *

WHILE above the clouds.

* * *

SCURRY along, like a phantom.

* * *

SHIP that passes in the night.

* * *

A STORY in tonight's Herald.

* * *

BY L. E. CLAYPOOL.

* * *

IS THE cause of my meditation.

* * *

AS I thought of "Rags."

* * *

AND THE three little Raglands.

* * *

A TEAR slowly stole

* * *

DOWN MY cheek.

* * *

AND I softly sighed.

* * *

AS I pictured a little mound

* * *

OF SHAPED up earth.

* * *

SOMEWHERE in Arizona.

* * *

BENEATH WHICH sleeps.

* * *

THE LONG sleep.

* * *

SHE WHOSE martyrdom.

* * *

PASSED unnoticed and unsung.

* * *

FOR YEARS we have called.

* * *

WOMEN THE weaker sex.

* * *

BUT WE must admit that we lack

* * *

SOME OF those qualities.

* * *

WHICH MAKE a good woman.

* * *

THE MOST wonderful.

* * *

OF GOD'S creations.

* * *

BECAUSE WE are merely men.

* * *

I THANK you.

* * *

HERBERT C. COX,
2701 Mesa's Highway.

Travelette

By NAKSAH.

THE AMERICAN SPA.

THERE are plans afoot for the government to beautify the reservation at Hot Springs, Ark., making the place worthy of its position as the great American spa, or healing spring—the peer in popularity and fame of the great European baths.

Many Americans are not aware that Hot Springs is a government reservation. As a matter of fact it is the oldest of the great system of national parks, monuments, reservations and forests which the American people now own. Hot Springs was made a reservation by the government in 1832 in order that the healing properties of the waters might be accessible to all and not exploited by capital. Unfortunately, the reservation was made only large enough to take in the springs themselves, and the town crowds all about them, when they should be in a center of a great park. There is a free bath house, maintained by the government, and other more elaborate ones operated for profit by concessionaires.

It is a curious fact that no one has ever been able to discover why the Hot Springs waters are so beneficial. They contain no chemicals that are of special value, so far as can be discovered. It is claimed by some that radioactivity is the secret of their effect. Others say that their benefits are purely imaginary. This can hardly be the case, however, for men have been coming to these springs for hundreds of years, and going away feeling stronger and younger. The Indians made them a neutral place in time of war. The early settlers travelled for many days through the wilderness to reach them. They were probably the fountain of youth, rumored which started Ponceda Leon on his travels. And today, they are one of the favorite recreations and recuperatives of that modern hero, the weary business man.

Little Chris

"NO," said Little Chris, as he vigorously shook his head to daddy's query if he cared to go to a movie show. "I went Sunday. You think I want to be cleaned up ever time?"

WHAT gits us is why a feller that's makin' forty or fifty dollars a day should care whether anybody recognized him or not. Th' best advertisement fer any town is a good cup o' coffee.

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QUEEN CALLED BY PET NAME.

No royalty has been called so persistently by her pet name as has queen Maud of Norway, who for years has been known as "Harry" among her immediate relatives. The name has clung to her majesty since she was quite a girl, and she is still addressed by the prince of Wales and his brothers and sister as "aunt Harry."

Little Interviews.

Ireland Will Never Be Content Without Independence Conditions Gratifying In The El Paso County Schools

"FULL independence for Ireland and the organization of the Irish republic is the only cure for the present unrest among the Irish people," said Frank Foley, county court stenographer and a native of Ireland. "I was born in Ireland, but came to America in my youth and of course am, first of all, an American. Yet I feel a certain amount of pride in the mother land. I am confident that the Irish people will never be a happy and contented race until they have an independent government."

* * *

"Conditions in the public schools of the county continue very promising," said Myra Winkler, county school superintendent. "Although school work has been seriously handicapped by lack of sufficient text books, yet school prospects are indeed gratifying. I am sure that every school in the country has a better attendance record than ever before in the history of the county."

"The El Paso chamber of commerce being a commercial and civic organization rather than a judicial agency desires to clear up any misunderstanding resulting from recent announcements bearing on rental conditions adjacent to Fort Bliss," said manager K. M. Roberts of the chamber of commerce. "We have received, as every live organization has all over this country, complaints and affidavits regarding increases in rental charges. As a matter of fact everybody having a complaint of any sort generally passes it on to the chamber of commerce. We receive them by hundreds on every subject from being fined for speeding to federal tax matters. This organization received the complaints as filed and promised an investigation, in view of the unusual circumstances set forth in the complaints of profiteering in rentals. We are anxious that El Paso compare with any city in just and fair rentals on properties. The state and federal courts exist for the purpose of handling matters of prosecution and this organization desires only to act in an investigating capacity and as mediator, where such need exists."

* * *

"I think that the home nursing classes which are maintained by the county school department for Mexican women and others who may care to attend, are a wonderful thing," said R. V. Blankenship. "I understand that there has been some dissension regarding these classes and I think it is a shame that a work which is doing so much for these women should labor under the dissension of a few American women who care to quarrel over it. I have heard of a few specific cases where these classes have done wonderful good, any one instance of which was worth all which has been spent in holding them. For example one mother declared that she had lost seven children, all before they were a year old. She was given the course in caring for children. Any one of those precious little lives, regardless of nationality, was worth all that has ever been spent in this county for instruction on the care of the babies."

* * *

"People generally think of poets as abnormal, impractical more or less helpless beings, geniuses though they may be, some of them, but they certainly 'went to the bat' if I may allowed such an expression, for their respective countries in the late war," said Edward Mansfield, writer and newspaper man from California. "They not only wrote with such depth of feeling for the cause which each espoused but fought valiantly also. The spectacular Italian poet, D'Annunzio, was in the war as one of the most daring of aviators and his fervid, poetic eloquence combined with unequaled daring has brought on the Fiume incident. The rest of the allies are at a loss to know what to do about it. Joyce Kilmer, American poet, was killed in battle, fighting overseas. Henri Barbusse, French poet, and soldier, even wrote a poem under fire. And the Canadian Kipling' whose name I do not now recall, found time to write and his was 'some' poetry if he could win the title of being Kiplingesque from the fighting Canucks. There are only a few of the allies' fighting poets but I have looked up a goodly number of them and I can say that the supposedly unpractical dreamers as they have always been considered proved themselves 100 percent fighters and I rather think that they were 100 percenters in numbers in the allied armies as well."

* * *

"We expect a total return of $150,000 for the cotton crop this year or an income of $300," said E. A. Roberts, electrical engineer of Carlsbad, N. M. "The crop in our section is certainly a fine one, but the great handicap is the scarcity of pickers and the cost is high. We have forty gins in the cotton district and in Carlsbad."

Rippling Rhymes

By WALT MASON.

Cheer Up Again

WE SAY the prices now are high, so high we're often stricken dumb; we shudder when we go to buy; cheer up, the worst is yet to come! The shoemen say ther are no hides, and daily leather grows more rare; and so the price of footwear slides ten paterings up in the air. The clothiers say there is no wool, the sheep are dead and on the ice; it takes some influence and pull to get a suit at any price. The bakers say there is no flour, and so the children have no bread, and we are weeping every hour because our hopes are lying dead. The barbers say there are no barbs, and we must let our whiskers grow until they spread like maximum yarbs, and wave and wiggle to and fro. The grocer says he cannot grace for less than ninety-five percent; he sees the sheriff drawing close when profits sink, is his lament. And so things go, from day to day, the whole blamed world is out of plumb; but let us all be blithe and gay; cheer up, the worst is yet to come. The worst will come, and then the slump, the big reaction will appear; and we will carry to the dump the pirate and the profiteer.

Copyright by George Matthew Adams

WALT MASON.

EL PASO HERALD

DEDICATED TO THE SERVICE OF THE PEOPLE, THAT NO GOOD CAUSE SHALL LACK A CHAMPION, AND THAT EVIL SHALL NOT THRIVE UNOPPOSED.

H. D. Slater, editor and controlling owner, has directed The Herald for 21 years; J. C. Wilmoth is Manager and G. A. Martin is Managing Editor.

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AN INDEPENDENT DAILY NEWSPAPER—The El Paso Herald was established 18 March, 1881. The El Paso Herald includes, also by absorption and succession, The Daily News, The Telegraph, The Telegram, The Tribune, The Graphic, The Daily Advertiser, The Independent, The Journal, The Republican, The Bulletin.

TERMS OF SUBSCRIPTION—Daily Herald, per month, 75c; per year, $7.50. Wednesday and Week-End issues will be mailed for $1.50 per year. Week-End edition only, per year, $1.00.

THIRTY-NINTH YEAR OF PUBLICATION—Superior exclusive features and complete news report by Associated Press Leased Wire and Special Correspondents covering Arizona, New Mexico, West Texas, Mexico, Washington, D. C., and New York. Entered at the Postoffice in El Paso, Texas, as Second Class Matter.

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