Silver Comes Into Its Own

MR. BRYAN ASKS A QUESTION

A Hot Springs, Ark., dispatch to the New York World, dated Nov. 19, says: Press dispatches report bullion value of gold dollar 5 cents less than bullion value of silver dollar. Are the New York financiers living up to their claims of honesty that they made so vociferously in 1896? Or are they paying their debts in a cheap gold dollar?

WILLIAM J. BRYAN.

SILVER PASSES "16 TO 1"

Free coinage of silver at the ratio of sixteen to one, Mr. Bryan's famous slogan of twenty-three years ago, would now arouse little enthusiasm in the men who then so calmorously demanded it, some editors opine. For today the price of silver is so high that its free coinage at Mr. Bryan's ratio would mean a loss to the silver-producers. For the first time in more than half a century, financial authorities tell us, the silver dollar is worth more as silver than as money. One of our silver dollars is intrinsically worth its exact face value when the market price of silver is $1.2929 an ounce. Last week silver was quoted at $1.36¼ an ounce. At this price a silver dollar could be melted down and sold as bullion at a profit of nearly seven cents. "Are the New York financiers living up to their claims of honesty that they made so vociferously in 1896, or are they paying their debts in a cheap gold dollar?" asked Mr. Bryan the other day when the bullion value of a silver dollar had soared beyond the bullion value of a gold dollar.

Nor is this remarkable condition of the silver market, as revealed in recent news dispatches and financial editorials, confined to the United States. In Paris, we are told, the habit of tipping is in abeyance, owing to the virtual disappearance of silver coins. In Mexico City, correspondents report, merchants are refusing to accept gold coins for small purchases, so precious has become the silver they must give in change. The once despised Mexican dollar is now at a premium. England and France have prohibited the export of silver, and have passed stringent regulations forbidding the melting of silver coins. In France, in spite of severe legal penalties, a correspondent reports, as much as 140 francs in notes are being given for 100 francs in silver. At the present high price of silver, remarks a firm of London bullion-brokers, "it is no longer profitable to mint British silver coins."—Literary Digest.

STABILIZING THE DOLLAR

It is understood that a committee of bankers or theorists or both has been forced to study the question how to "stabilize" the dollar. The question is acute, as is pointedly suggested by Mr. Bryan in his query whether creditors are today paying their debts in "a cheap gold dollar" worth 5 cents less than the bullion value of the silver dollar. Undoubtedly the decline in the purchasing power of money is more and more powerfully arresting the attention of thoughtful men everywhere. It cannot be allowed to go much further without very grave disaster growing out of the disturbance of economic and industrial relationships. There is, in fact, urgent call for the development of some common understanding or program on this whole subject.—New York Journal of Commerce.

MR. BRYAN'S DAY

When Mr. Bryan sees the silver in a silver dollar worth one dollar and five cents, and the gold within a gold dollar a drug on the market, he sees full and complete justification for his position on bimetalism. Of course, the purchasing power of the American dollar has shrunk, and the value of every commodity has enhanced. Silver has gone up to such an extent that the silver dollar is the prize package in the money line at this time.

We have never fully agreed with Mr. Bryan on his silver platform, but we always had rather the viewpoint that there was little danger in the use of silver for American money, because the slight disparagements that might have come with varying markets would very unlikely have ever made the silver dollar unwelcome in the hands of either debtor or creditor.—Sentinel-Record, Hot Springs, Ark.

AN 1896 PROPHECY

Detroit, Mich., Nov. 28, 1919.

Mr. Charles W. Bryan,
Lincoln, Nebr.

Dear Mr. Bryan:

In 1896 your brother made as near as I can recall it, substantially this statement and repeated it several times in his campaign address:

"Great Britain has for a long time done everything in her power to demonetize silver and in that way increase the value of gold because she is a creditor nation and desires to increase the value of the dollar that is due to her and the republican party is either consciously or unconsciously aiding Great Britain in that movement.

"The democratic platform demands the immediate free coinage of silver without waiting for the aid or consent of any other nation because we are a debtor nation and are opposed to the British method of increasing the value of the dollar we must pay.

"If England should become a debtor nation she would certainly look sharply to her own interest and would promptly remonetize silver so as to force down the dollar she would then be compelled to pay."

The facts contained in the foregoing statements are patent and the prophecy it contained has now proven true.

GEO. WM. MOORE.

WILL HEPBURN ANSWER?

Silver dollars made a new high record yesterday for recent years as a result of another big rise in bar silver in London. This caused much good natured comment in Wall Street on William J. Bryan's telegram from Hot Springs, published in The World yesterday, in which he pointed to the fact that the bullion value of the gold dollar is now five cents less than the bullion value in the silver dollar, and asking the question as to whether New York financiers are living up to their claims of honesty made in 1896 or are paying their debts in a cheap gold dollar.

On a 16 to 1 basis the bullion value of the silver in a silver dollar is $1.29½, whereas at yesterday's quotation $1.34 was bid for silver bullion.

A number of bankers were asked to answer Mr. Bryan's question, but none of them apparently had time to do so. Among those asked was A. Barton Hepburn, a member of the Advisory Board of the Federal Reserve Board. Mr. Hepburn's secretary said Mr. Hepburn did not have time to discuss the matter, but he would think it over and might have a reply today.—New York World.

MR. BRYAN'S QUESTION

Mr. Bryan asks whether New York financiers are as honest now in paying their debts in a cheap gold dollar—at one time five cents below the value of silver dollars in metal—as they were when they were demanding that debts due should be paid in a dear gold dollar, silver then being at a discount in gold. There is need of some financial Dr. Einstein to expound a theory of relativity of values. But perhaps if such a one should appear he would be no better understood than the physicist who has explained that light is deflected by matter, as Mr. Bryan seems to think that principles are bent by interests.—New York Times.

SOUND MONEY ARGUMENT

An Associated Press dispatch from Deadwood, S. D., says: Low cost of gold, which has been worrying mining companies in the Black Hills region, has caused the Deadwood Business club to inaugurate a state movement to urge South Dakota members of congress to lead a fight for a higher price for the yellow metal. Black Hills mining operators and miners have indorsed the action of Deadwood business men.

Inability to compete with other mining companies in the matter of wages is said to have curtailed the production of gold in this district. When the prices for silver and copper advanced during the war period, and the value of gold remained stationary, many miners left the Deadwood and Lead fields to take advantage of increased wages offered elsewhere.

Resolutions adopted by Black Hills mining men include the following declarations:

"Production of gold in the United States since 1916 has decreased from $92,500,300 to $68,500,000 in 1918. South Dakota ranks third among the states of the union (excluding Alaska) in the production of gold.

"Notwithstanding the recognized importance of gold to the welfare of the nation, yet it is the only important product still selling at the old standard price of $20.67 an ounce, established two centuries ago.

"Resolved, that the market value for all gold produced in the United States and its territories be fixed at not less than $30 per ounce."

SILVER NOW WORTH MORE THAN COIN.

A New York dispatch, dated Nov. 18, says: Silver now is worth nearly 5 cents an ounce more as metal than it is as coin. Silver for San Francisco delivery was quoted today at $1.34 an ounce as compared with $1.29.20 an ounce, which is the basis on which silver in coin is valued.

Silver for local delivery was quoted at $1.32½ an ounce.

Buying for Chinese account is believed to be responsible for the advance.

THE JUSTIFICATION OF BRYAN

Somewhere out in Nebraska—or down in North Carolina or Florida, William J. Bryan is smiling gleefully, and chuckling with a deep satisfaction which sends rhythmic rumbles across his ample expanse of shirt front. His ratio of "16 to 1" is justified at last. In fact, it is more than justified. At 16 to 1, the fixed price of silver would be $1.20 per ounce, while it is now selling as high as $1.30½ per ounce. The "crime of '73" is rebuked, and the campaign cry of 1896 has become the financial page report of 1919.

How much sooner, Mr. Bryan may ask, would the white metal have come to its own if the western nations, which carry on most of the world's commerce, had not barred it from their mints? It will puzzle any hard and fast adherent of the gold standard to give a satisfactory answer.

This is not the only one of the Bryan prophecies—or demands—that has been fulfilled. It is not even the most important. Mr. Bryan was the first presidential candidate to take his stand on the quantitative theory of money, the theory which says that an increase of money means rising prices and a decrease of money means falling prices. This doctrine, which is a demonstrated fact today, was deemed a wicked and abominable heresy in 1896 and the priests of high finance cursed it by bell, book and candle. Now they are appealing to it as the explanation of our troubles and saying with a large measure of truth, that the enormous expansion of credit and money as a result of the war has caused the high cost of living.

Decidedly, Mr. Bryan has reason to feel pleased. But looking at the case with the expensive wisdom gathered—perforce—in the last few years, one can see that the remedy for fluctuating prices does not lie in the coinage of any one or two metals. There must be some plan for stabilizing, not the size or the color, but the purchasing power of a dollar. Some way must be found to make money a real standard of value, instead of, as now, a mere unit of financial counting and medium of exchange.—Chicago Journal.

General Pershing's name is again figuring in the dispatches as the man the republicans are likely to nominate for president. The home folks at Lincoln recently held a meeting that is regarded as the initial move in the effort to project him into the republican fight. General Wood has apparently been making so much political hay that the idea held by some republican chieftains that this is not a good time to ask the people to put a military man at the head of the government has undergone a change.

The trade reports show a larger amount of wool in the hands of the government, the dealers and the manufacturer than a year ago, and yet prices of clothing show no sign of receding. They also show that a greater number of hides and prices of leather are on hand than at the beginning of December of last year, and yet the prices of shoes are as high as ever. And yet we hear a great deal about the necessity of greater production if there is to be any decrease in the cost of necessaries of life.