

WEALTH OF THE WORLD



IN THE SWEAT OF THY FACE THOU SHALT EAT BREAD

IF ANY WILL NOT WORK NEITHER LET HIM EAT

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A POPULIST FINANCIAL SYSTEM.

Our Exchanges are Asked to Consider This Plan in All Its Provisions.

BETTER THAN CARLISLE'S PLAN

The Secretary of the Treasury has published a plan to get rid of what greenbacks we have left, and bestow upon bankers alone the power to issue fiat money, money that has no intrinsic value in it, but which, being clothed with the power to make exchanges, they can loan to the people and draw from them for the use of mere pieces of paper an enormous amount of usury and wealth. His plan is unjust, unequal, unconstitutional. It would be class legislation of the worst sort. A better plan for providing safe, sound, sufficient currency must be found, and we propose the following:

Repeat all laws permitting private corporations to issue their notes for use as money.

Enact a law providing that every state may make and deposit non-negotiable bonds in the United States Treasury in sums not to exceed in the aggregate twenty-five per cent of the actual value of its taxable property, and that for bonds so made and deposited as security, bearing an annual revenue to the government of one-half of one per cent, it shall be permitted to draw from the Treasury ninety per cent of their face value in coin or greenback dollars, which shall be full legal tender for all debts public and private.

By state laws that may be enacted such state bonds shall be in quantity duplicates of county bonds deposited with the state treasurer, county bonds to be issued to provide only what money each county needs, and to be limited also to twenty-five per cent of each county's taxable property, and made to bear to the state one per cent annual interest. For each deposit of county bonds with the State Treasurer the state shall deposit the same amount of state bonds in the United States Treasury, and the money which shall be advanced on such bonds shall be paid directly to the proper officials of the counties whose bonds are deposited as security with the state. The funds so provided and secured by bonds shall constitute the capital for county government banks which shall be in charge of regularly elected county (bank) officials whose bonds shall be approved in four times the sum the people may have on deposit at any one time. The presidents, cashiers and directors of these public banks shall be paid reasonable, fixed salaries.

The counties shall each provide their banking representatives the necessary safety deposit vaults, fire proof safes and other needed furniture, blank books, etc., to conduct the entire loan, deposit and exchange business of the people of the county,—furniture to also include a complete set of abstracts of titles of all real estate in the county.

The county government banks shall be by law required to receive all surplus cash which individuals may wish to deposit, and to pay back to depositors the full amount of their deposits, but no interest shall be paid on such deposits.

Loans applied for shall be passed upon by a board of three bank directors, who must be agreed that the security is worth at least double the amount of the loan desired. Finding the security amply sufficient, loans shall be made on improved farms in size not exceeding 640 acres, up to half their selling value, at two per cent per annum. On homesteads in town (lots built on and owned by the parties living on them), mining towns excepted, loans limited to 33 per cent of their cash value shall be made at two per cent. On business property up to 33 per cent of its cash value loans at two per cent may be made, provided the owner does not possess more than a half block of such property. On warehouse receipts for grain and cotton stored in county, state or government warehouses, loans at two per cent may be made up to 50 per cent of their market value. Personal security for thirty, sixty and ninety days, or fractions thereof, may be taken when notes are signed by three parties of good repute, two of whom are established

in business in the community and possessed of ample property to collect the debt by law,—such loans to be discounted at one-half to one per cent.

Above rates to be reduced to cost of conducting the business when found above it, as doubtless would be the case as soon as all money came to be deposited in the government banks and all loans should be done by the people's banks.

The above plan, would make losses exceedingly small if adopted with all the safeguards, profits even at these rates, cut down to perhaps one per cent over labor cost, would much more than make good such possible losses. The tax-payers would thus be secured by the profits exceeding losses, and by ample bonds against the occasional dishonesty of an official of their own selecting. The state would be secured against any fraudulent or overvaluation of particular counties by a state board of tax rate or valuation equalizers and by the entire taxable property of each county, and the national government would be secured absolutely in its state loans by the state bonds deposited in the U. S. Treasury. There would be no more money called for (or bonds given) than the people with security judge they individually need to employ labor, and if money could be borrowed of county government banks at rates, say, not to exceed one per cent a year above the labor cost of loaning it, all private money lenders would be driven out of business and their money would either be turned into more labor-employing capital or directly deposited with the government and so would go into the circulation without enforcing usury tribute. The volume of money would not be greatly increased by the system we propose, because with government banks furnishing money at cost it would draw all money not for the present need of individuals to their care for absolute security, and when deposits exceeded demands bonds could be paid off and cancelled. But an amount of perpetual state bonds drawing only one-half of one per cent a year and of county bonds drawing one per cent a year should be kept deposited and not paid off, to supply security to the government for whatever money can be used profitably as capital and is needed in excess of coin to make additional state charge would be some more than the labor cost of this machinery of credit, but it would not be a burden, for it would furnish an income that would reduce other taxation. There would be no interest tax, except the slight one going to the government.

Now are there any who will object to the above financial system.

Yes, the bankers will object to it; all who own bank stock will call it frightful names. It is not in their special interest, as are the Baltimore and Carlisle plans. Were it to be enacted into law the money power would be destroyed and honest labor would be enthroned. It would provide capital at nearly labor cost for those who now must pay from five to a hundred per cent a year bonus for it. It would prevent panics and periods of commercial paralysis and enforced idleness and starvation. It is a just currency system that would bring to the masses unheard of prosperity, therefore the classes, the bankers especially, will view it with alarm and will frighten folk with their cries of, "Socialism!"

The Lincoln Provident Association

The Lincoln Provident Association of Nebraska is chartered under the state laws, and is receiving and dispensing charity funds and supplies of all sorts to meet the needs of the drought sufferers of western Nebraska. Its purpose is through a system of inquiry to make sure that the people who need the help are the ones whom it shall be bestowed. It is in charge of directors, nine in number, with Capt. W. H. Hunter in charge. The place of business where all donations of supplies are brought or money sent is at the corner of Tenth and P streets.

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APPEAL TO THE PEOPLE

Against the Currency Scheme Now Before Congress.

(BY THE AMERICAN BIMETALLIC LEAGUE.)

The bill now before Congress to radically change our currency system by destroying the greenback and coin-note circulation, with the view of turning over to the banks the entire control of the paper currency of the United States, is the most radical and dangerous measure ever seriously presented in this country—at any rate, since the covert act demonetizing silver in 1873. So sweeping and radical a change in the monetary system of any country cannot be carried out without profoundly disturbing all industrial conditions, unsettling prices, and creating confusion in every line of business. Besides, the proposition to tax the people to take up and ultimately cancel our entire legal-tender paper currency, and leave it to banking associations, organized for private gain, at their will and as their interest alone may dictate to supply its place with promises to pay, ought to arouse the most anxious concern of the whole people. The greenback currency costs the people nothing, is legal tender, of the same value in every part of the country, and good anywhere in the world. To ask the people to tax themselves—for that is what it amounts to—to take up this currency, in order that banks may fill its place with their notes, is a proposition, which, if it had not come from the treasury department, would have been deemed insane, if not indeed diabolical. This proposition, too, comes to the country as a bolt from a clear sky. No political platform ever contained such a proposition; nothing purporting such a change was given out before the late election. The people have had no opportunity to express themselves respecting it. It comes, as all conspiracies do—did the act demonetizing silver—like a thief in the night.

There are more than ten thousand banking institutions that under this act may issue notes to circulate as money. By what principle will they be governed by in the issue of this currency? By none in the world but their own interests. Make it profitable to them, and they will put out any amount of currency, regardless of consequences, immediate or remote. In turn, let it become their interest to contract the currency, and they will contract it regardless of the effect on the business world. That is the only kind of "elasticity" there is in this form of currency. Banks will issue it as long as there is profit to them in doing so and no longer. The experience of the world has been that, under such a system, there will at first be expansion—expansion here, there and everywhere, all over the country, heedless of the export of gold, except, perhaps, in the seaboard cities, till, with continued loss of gold, the limit of tension is reached, when a collapse will come, followed by a long-continued contraction, general business stagnation, and the ruin of debtors.

This has been the history of such currency, not only in this country, but in every country that has tried it; and nearly all commercial countries have tried it, one time or another.

A. J. WARNER.

Finance, Land and Transportation.

As we go to press the delegates to the St. Louis Populist conference are assembling. We have made arrangements to get a full report of this important convention and will give our readers a full account of its deliberations and resolutions. We have no use for a single-plank platform as advocated by some weak-kneed papers, who hope to capture more votes by making one plank the issue. The Omaha platform, which makes the demand of the necessary reforms in a short but decisive way is good enough for us, and a platform containing the three cardinal demands for reform in FINANCE, LAND AND TRANSPORTATION is not long. We have enrolled nearly 2,000,000 votes under that banner and by the next presidential election can count on 6,000,000 votes if the proper work can be done. Don't step backwards, brethren. It would be demoralizing, cowardly. We know our demands are right, and we would not be justified to take back one single iota of them. Forward, march, is the password to victory. No wavering, half-way measures, no compromise, no schemes to catch the applause of our enemies. If we want to succeed, compromise and fusion must be forever banished from our consideration.—Jackson (Mich.) Industrial News.

Treasurer Stephens' Bond.

JEFFERSON CITY, Mo., Jan. 7.—State Treasurer Lon V. Stephens yesterday handed in his bond as state treasurer to Governor Stone. The law requires the bond shall be renewed every two years. Mr. Stephens' present bond is the largest in amount ever held by a state treasurer of Missouri. The law requires that it shall be for \$500,000. His bondsmen qualify for \$1,940,000. It contains the signature of sixty-six men, of whom thirty-three are of Booneville, Mr. Stephens' home, and nineteen in Cooper county, outside of Booneville.

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Holcomb's Message.

LINCOLN, Jan. 4, 1895.

Fellow Citizens of the Legislative Department of the State of Nebraska: I have been called by my fellow citizens of Nebraska to serve them as governor of the state. In your presence I have just taken the prescribed oath of office, and, agreeable to time-honored custom, I will now address you briefly before entering actively upon the discharge of the important duties of the office.

I am indeed deeply impressed with the grave responsibilities I have assumed. I am fully aware of the manifold and arduous duties attaching to the office to which I have just been inducted. Were I called upon to encounter at one time all the perplexing difficulties to be met, well might I be appalled at the magnitude of the undertaking, but, encouraged by an earnest desire faithfully to administer the duties of the office, I am hopeful of being able to master these difficulties singly as they arise with a reasonable degree of satisfaction to the people of the state, of whom I am but an humble servant.

It shall be my undiverted and unselfish purpose to direct my entire efforts to the faithful and impartial observance of the constitutional provision which declares "that the supreme executive power shall be vested in the governor, who shall take care that the laws be faithfully executed, and that the good government may prevail, and the rights of each and every citizen be jealously guarded and protected."

In assuming the onerous duties of this office, I am able to content myself with the thought that there is a right way and a wrong way to decide each perplexing question, and, with a firm determination to ascertain the right and then adhere to it, I hope the burdens may be lessened, the work simplified and the duties fully discharged.

Although possessing various political beliefs we as legislators and executives should have but one great object in view—to discharge the duties incumbent upon us in a business-like manner for the common good of all. Each of you as a legislator has been elected as the advocate of the principles of some political party, but today you represent all the people of your district. In my capacity I shall earnestly endeavor to be the government of the people, and all political parties of political ideas you will probably have but one duty to perform—the election of a United States senator; in your capacity as representatives of the people of your districts you will doubtless have many matters of great importance to consider.

The national party of one political party in both branches of the legislature will doubtless insure the election of a representative of the state in the senate of the nation without unnecessary delay.

In disposing of the business of my fellow citizens in the capacity of governor, solicited to do so by a heavy cooperation, I apprehend that our relations will be mutually cordial and agreeable and redound to the good of the entire people, whom we alike serve.

Untrammelled Suffrage.

The preservation of the sanctity of the ballot is necessary to the perpetuation of self-government. It is by the ballot that the voice of the people is heard and their will registered touching all matters connected with the affairs of state. A failure to give to each elector the privilege of casting his ballot without fear or prejudice, according to the dictates of his conscience, is to that extent a failure of popular government. Each citizen possessing the right of franchise should have untrammelled freedom in expressing by his vote his individual sentiments and his own views on the subject of the duties of a citizen, without regard to his station in life, his education, his occupation or the degree of intelligence with which he has been endowed by his Creator. It is your duty to sacredly guard this right to your fellow electors and to reduce to a minimum any infringement of it. Especially does it seem to me that the employees of the large corporations should, by wise legislation, have such protecting care thrown about them that they may in the exercise of the right of suffrage act without any fear whatsoever from the displeasure of their employers, whose political convictions may be different from their own.

It is undeniable that the Australian ballot law was a needed reform and has done much towards purifying elections in Nebraska, but I am confident it would grant a privilege whenever from the pleasure of their employers, whose political convictions may be different from their own.

I would respectfully suggest that each political party having a fair percentage of the vote in any district should have representation on the election board, and that not more than two judges should be selected from any one political party.

There can be no more important subject for the careful consideration of lawmakers than the protection of the purity of the ballot, and I would most respectfully call your attention to our existing election laws and invite a comparison with those of other states, to the end that amendments may be made rendering bribery and undue influence of the voter more nearly impossible and facilitating the more rapid and accurate counting of votes.

Drought Sufferers.

I regret the necessity demanding a careful consideration of the actual want of a great number of our people caused by the drought of last year. Nature has bountifully blessed Nebraska. Her climate is unexcelled and her soil responds generously to the labor of the husbandman. For years prior to 1894 there was an uninterrupted era of good crops. Rapidly the domain of the rancher was encroached upon by the farmer. From various states came an energetic class of good citizens to make their homes in western Nebraska. Generally they were poor

and depended upon the first season's crop to supply themselves and families with all the immediate necessities of life, and until 1890 they never relied in vain. Then came one season when the accustomed rains failed to fall and hot winds swept over the country, crying devastation to the fields of growing grain. Since then there have been alternating good and poor crops, culminating in the general drought of 1894.

While this drought extended practically over the entire country, it was particularly disastrous in the western portion of the state. Distressed by combat with previous partial crop failures, many farmers with only moderate means were wholly unprepared to meet the drought. Many had been unable, on account of the short time of their residence, to store up grain sufficient to meet the exigencies of this extraordinary season. Some removed from the state, but the great majority, possessing the utmost faith in the country, remained, determined to hold on to their possessions in the drought-stricken district. If patience and long suffering make poorer the harvest, the harvest of 1895 should be bountiful.

Our great state is able to take care of its own poor and many of the county boards have, with commendable energy, provided work with compensation for the able-bodied needy in their own counties, but there is still necessity for quick relief to be extended to many portions of the state; so that every help may be comfortable during the present winter and have an opportunity to seed and work their ground for the coming harvest.

I know some claim that the legislative body has no right to make the people donate to the needy and that such work should be left to individuals who are charitably inclined, that every government is strictly bound to provide at public expense the necessities to sustain life to its own needy inhabitants and especially is this the case when the needy are without fault on their part.

The Relief Commission.

The relief commission created by the law of 1890 still in existence, it was revived and the vacancies filled by my predecessor, Governor Crouse, and has been actively engaged in the work of assisting the deserving needy by distributing food and clothing furnished by charitably inclined people from every section of the country.

These commissioners have doubtless expended considerable money in the work, relying on the legislature to make provision to indemnify them for necessary expenses incurred, and their services will be required until seed is sown in the spring for another crop. In order to effectively carry on the work of assisting the deserving drought sufferers with the least possible expense, I would respectfully suggest that the law of 1890 be amended and that relief appropriations sufficient to supply the necessities of these people during the winter be placed in charge of the commission, and that the law be amended so that guards as may be deemed wise in order that only the needy receive aid and that no unnecessary expense be incurred.

I feel confident that the great railroads of the state will assist the distribution with their transportation, or, at least, by their reduced rates. I would further suggest that legislation be had so that each county in the more severely afflicted portions of the state may be able to vote bonds, which may be made a very proper mode of investment for a large sum of the now idle permanent school funds, in order to provide ready means to secure seed to sow and grain for stock for the coming crop season.

If on investigation it is deemed wise and practicable, it will be well to consider whether special assessments may not be levied on the land where the seed is furnished, or by some other means require of the beneficiary to repay in installments the value of the grain furnished, together with interest commensurate with the rate the bonds bear.

It is well to bear in mind that the people thus to be favored are not asking for charity. They are a hardy set of farmers who have been struggling against adversities over which they had no control and they ask temporary assistance merely to tide over the present difficulty and will gladly make repayment for all the seed and grain thus furnished.

One subject I regard as one of pressing importance, demanding your first energy in your work as legislators, in order that suitable enactments may be made as speedily as possible and at the same time with due consideration of the work to be done, so that the result of your labors shall meet the emergency of the occasion and be such as will give the people a sense of the deliberation and care which should characterize all legislation. I trust, gentlemen, that you will at once direct your attention to this subject and make such disposition of it as in your wisdom you may deem proper.

Irrigation.

One of the most important subjects that you will have to deal with during this session, and one far-reaching in its results is irrigation. The subject has been gradually growing in favor with the people, especially west of the one hundred principal meridian. Its merits have been investigated and proven by actual tests and it is now an accepted fact that very large areas in the western portion of the state, where the small amount of rainfall renders the maturity of crops precarious, can, by a proper system of irrigation and because of the excellence of the soil and the otherwise favorable climatic conditions, be made to yield most bountifully and with unvarying certainty. The subject is a live one. Too much care cannot be given to the enactment of laws to meet every requirement of our local conditions in this regard.

The great waterways in the state and on its borders have heretofore in early spring run bankful of water. In the early summer they have joined with the waters of the Mississippi and Ohio and many seasons have spread devastation over the fertile bottoms of Illinois, Missouri, Kentucky, Tennessee, Arkansas, Mississippi and Louisiana, while the vegetation of a portion of Nebraska was in many places withering and dying for want of water. The government has seen fit to expend millions of dollars in the construction and maintenance of great levees to protect the property and lives of the people residing along the rivers in the south. Would it not conserve a double purpose and be productive of inestimable good to both sections if the government would direct its efforts toward turning the waters of the western tributaries of the Mississippi river into great reservoirs and thence into irrigation ditches for the development of sections of the country which now produce very little?

water in the springtime would reclaim the great river bottoms of our southern neighbors and make them the kings of corn and cotton countries.

I am not familiar with the practical workings of irrigation, but your body contains some members who have given considerable time to the investigation of the subject and a few who have had years of practical experience in irrigation. They will doubtless render valuable service in advising and framing practical legislation. From the investigation I have been able to give to this important subject, I do not hesitate to recommend a district irrigation law, to be framed from the good which may be found in Wyoming laws on the subject, and to be guarded by a clause enabling the users of the water to control its distribution and price so that it may be to some source of pecuniary benefit rather than an engine of oppression in the hands of speculators. A good law on this subject so framed as to protect the rights of those directly interested in irrigation will substantially encourage the work, and droughts and consequent suffering no longer menace the welfare of the people.

Railroad Legislation.

The fundamental law of the state declares that the railroads in Nebraska are public highways and shall be free to all persons for the transportation of their property and persons thereon under such regulations as may be prescribed by law. It has given to the legislature power to pass laws from time to time establishing a reasonable maximum rate of charges for the transportation of passengers and freight. It also declares that the legislature shall enact laws to correct abuses and prevent unjust discrimination and extortion in charges by express, telegraph and railroad companies.

The railroads of this state have been one of the most important factors in bringing about its rapid development, and it is of utmost importance to all citizens of Nebraska that this great interest be sustained and encouraged. To the construction of the present extensive system of railroads in Nebraska may be ascribed in a great measure the material prosperity of the state.

It is an erroneously conceived idea, and quite prevalent, that the interests of the railroads and the people of the state are inimical. In fact, the success of each lies principally in the prosperity of the other. The earnings of the railroads depend on the amount of business the people are able to do, and the people in turn must look to the railroads for the transportation both of their surplus commodities to market and of the articles of consumption that must be obtained from others. Between the two there should naturally exist the utmost degree of reciprocity.

Notwithstanding the feeling known to exist among the people that they have been burdened by oppressive rates on transportation, I am certain that there is no demand on the part of the federal court which would tend to cripple the great highway of commerce. The people are willing to deal justly by the railway corporations and in turn demand only fair treatment in the matter of charges for freight and passenger transportation.

The subject has been one of constant friction and annoyance between the railroads and the people for several years past. In various ways and at different times attempts have been made at legislation for the purpose of settling this question, but so far they have been without complete success.

Recommendations of the Railroad Commissioners.

The board of transportation as it now exists under the law is entirely unsatisfactory and is generally regarded by the people as a failure. Railroad commissioners elected by the people, with power to regulate all charges of this character, would, in my judgment, nearest approach a proper solution of this difficult problem. This, however, cannot be done without amending the constitution. There has been one opinion of the question to the people and it failed to receive the requisite vote, yet I am persuaded it was more the result of the excitement attending a political campaign, causing the people to overlook this important question, than it was the result of a want of real interest in the matter on the part of the people.

I am of the opinion that if a constitutional amendment creating a board of railroad commissioners, with ample power in the premises, could be submitted to the people it would receive their approval by an overwhelming majority, and I believe this vexed question could be nearer settled satisfactorily in that than in any other manner.

The Maximum Rate Bill.

Different attempts have been made to enact into law a maximum freight rate bill, culminating in the passage of the house roll No. 38 during the session of the preceding legislature. This bill was approved by the governor and but for the process of injunction issued out of the federal court would now be in operation. You are each doubtless somewhat familiar with the history of the case and the recent decision handed down by Judge Brewer of the United States circuit court. The question now naturally arising is whether the decision shall be accepted as final or provisions be made for appealing the case and thereby obtaining final decision on this very important matter in a court of last resort. The points in controversy are of vital interest to the people of Nebraska. It would doubtless be better if an early and final decision by the highest judicial tribunal of the land could be obtained, in order that there might be a full, fair and accurate understanding as to the respective rights of the people and the railroad companies touching the questions involved.

I have no intimate knowledge of the history of the case, of the issues raised therein or of the evidence adduced on the hearing of the cause. From reading the opinion of the learned judge deciding the case, I understand that every disputed question is found in favor of the state save the one of the alleged unreasonableness of maximum charges as fixed by the bill. With all due respect to the distinguished judge and thoroughly appreciating the difficulties as expressed by him surrounding a question of this kind, I am inclined to the belief that the conclusion reached is based on an erroneous conception as to the proper basis for estimating the costs and earnings of the roads. In the first place it occurs to me that justice and equity would indicate that the proper basis for the purpose of fixing fair and just rates would be a present reasonable value of the roads rather than what may have been expended in their construction by useless extravagance, had management of the increased expenditures at such time as compared with the present.

Another element in this case which seems to me worthy of consideration and which I fall to find any notice of in the decision of

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