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SENATOR STANFORD,

Of California, in the Senate of the
United States,

Monday, January 10, 1890, Offers a
Resolution to Make Loans
on Real Estate.

Mr. Stanford submitted the following
resolution, which was read:

WHEREAS, There is a stringency in money and much consequent distress, the energies of the country being depressed, large portions of the farming communities heavily burdened and struggling for relief; and

WHEREAS, The United States government is alone authorized to make money which shall be a legal tender, whether it be by stamp upon paper, silver or gold; and

WHEREAS, The value of the three commodities, when used as money, depends entirely upon the stamp of the government making it legal tender; and

WHEREAS, It has been found that the money advanced by the government upon its own bonds to the holders thereof has furnished the best and most acceptable currency, through which to-day in our country most of the exchanges are made; and

WHEREAS, The present stringency is largely due to the retirement of government bonds which have been so largely the basis of our circulating medium; and

WHEREAS, It is of great consequence to national and individual interests that credit should be established, where merited, as far as is safe and practicable; and

WHEREAS, The government can do this abundantly, without risk to itself, upon much of the property of the country, as it is now doing upon its own bonds, on which it is paying interest; and

WHEREAS, Loans upon a property basis would furnish all the money needed, without cost to the government, and a fair interest paid by the borrower would give to the government for the use of its credits in bills a large income; therefore be it

Resolved, That the committee on finance be instructed to inquire what relief may be furnished by the United States government, and particularly whether loans may not be made by the government upon mortgages deposited with it upon real estate, independent of improvements, at such rate and to such an amount only as will make the security to the government perfect, the government to receive some small rate of interest, from 1 to 2 per cent., ample compensation for the use of its credit, and to prevent the undue applications for loans beyond the needs of the country. And the government, as further restraint and provision against an over-issue (if such a thing be possible upon perfect security, where the interest is very slight) shall provide to call in a percentage of its loans, from time to time, upon reasonable notice, as it may deem necessary, at its own discretion, for the welfare of the nation.

Mr. Stanford. I should like to have the unanimous consent of the senate to submit a few remarks to accompany the resolution.

The President pro tempore. The senator from California asks unanimous consent to submit observations to accompany the resolution just offered. The chair hears no objection, and the senator from California will proceed.

Mr. Stanford. Mr. President, from the earliest civilization there has existed in all countries a need of some commodity that will stand as the representative of values through which exchanges can be made without the commodities themselves being passed from hand to hand.

In process of time gold and silver came into use for this purpose of equalizing exchange, and to-day, when stamped by responsible governments, these metals have a value as money far beyond any possible value they might have were they only used in the arts. But it is obvious that their value as legal tender depends as much on the government stamp as does the paper which is stamped by the government and made legal tender. Money becomes valuable as it stimulates industry and facilitates the exchange of the products of man's labor. Property itself is valuable according to the uses to which it is applied. Thus, supposing a man's wages were \$1 a day, \$100 would employ 100 men one day; but could the product of the labor of those 100 men be immediately utilized, the \$100 might give employment to 100 men every work day in the year.

The government bond is valuable to the holder on account of the interest it earns. As an energetic factor in the transactions of men it only amounts to the percentage which it draws, but when the bondholder, by depositing it with the government, receives back 90 per cent. in government bills, 90 per cent. of its value becomes energized into an active commodity, giving possible employment to the energies of the country. In like manner, if the farmer were able to borrow from the government without interest a certain amount of its bills, giving his farm as security therefor, to that extent his land would become an active force and he would be enabled, while giving employment to the extent of the money loaned him, to improve his farm and increase its value to the full amount of the loan. Thus the government loan would be doing a double duty. Now the activities of this money do not terminate with its expenditure by the farmer; those who have received it, in their turn, will make use of it as an energizing factor in the forces of life to an indefinite period. As money employs labor it brings to life a continuing force, labor begetting labor as certainly as its

fruits are valuable. Another way by which we can appreciate what money actively used may perform in the settlement of balances is to be found in the value of commodities produced and exchanged compared with the amount of money in circulation.

I may here make use of the familiar illustration of a dollar going the round among twenty men, each of whom owed a dollar to his neighbor, paying \$20 of debts and returning to the pocket from which it started. This is a small illustration and would be equally illustrative for a greater number of men and a greater amount of debts.

How far the boundless resources of our country shall be put into activity depends not only upon the active industry of our people, but upon the power necessary to induce that industry, and it should be the fostering care of the government to see that such industry receives every encouragement.

An abundant supply of money means to individuals of capacity a field for the use of their abilities in prosecuting their various callings of life, and will be particularly valuable to associations of individuals by affording them facilities for obtaining capital for the transaction of every kind of business.

An abundance of money means universal activity, bringing in its train all the blessings that belong to a constantly employed, industrious, intelligent people.

If these proposed loans could be made by the government without risk, I do not think that there would be any serious obstacle in the way of the accomplishment of the object of this resolution. In my opinion ample protection would be afforded the government if it limited its loan to one-half or one-quarter the assessed value of the property given as security, and upon the appraisal of government officers especially selected for that duty.

Abundant and cheap money places the power in the hands of the industrious and enables combination of labor that would produce ample competition and

prevent anything like an oppressive monopoly. This combination has always been done when not accompanied by any special privileges. Cheap and abundant money means co-operation of labor to an extent heretofore unknown, and with all its consequent advantages. Its abundant supply and possible activities would be one of the great means of employing labor and controlling and utilizing forces at man's disposal, and would go far towards aiding his intelligence towards realizing his highest destiny.

It seems to me that the great thought of humanity should be how to advantage the great multitude of toilers, increase their power of production, and elevate their condition. We know that a great improvement is within the provisions of

Providence, and in the prosperity of the masses of the people the prosperity of all is assured.

Man is the rightful heir to peace and prosperity, and very much depends upon the intelligence of governments to represent the associated capacities and interests of the whole. To me, one of the most effective means of placing at man's disposal the force inherent in the value of property, is through furnishing a bountiful supply of money based upon unquestioned and secured values.

The resolution was referred to the committee on finance.

Bank Notes Secured by Land.

The Press, New York.

Senator Stanford's ideas for a permanent basis for circulating notes issued by national banks is the assessed value of real estate. It is hardly likely to impress many people favorably. No asset is so hard to realize on in a time of depression, or a local center of depression, as real estate, and a form of currency that is to be national and not wild cat in its character ought to be secured, as far as possible, by absolute uniformity of value.

Government bonds if they cannot be the perpetual basis, should furnish the pattern for the security to be used after they are redeemed. No essential quality that they possess should be missing in their successor, and one of the essential qualities of government bonds as a form of security is that their volume is within the regulation of the central government. Real estate might approach them in this respect, if the Henry George idea were realized to the full, but any such day as that is far distant. The best substitute for bonds as security for bank currency is that which has been indorsed by leading statesmen and bankers who have no cranky hobbies to ride—the deposit of national bank stock with the comptroller of the currency, supplemented by the use of the 1 per cent. tax on circulation as a general solvency insurance fund. Such a security would have to come gradually, but as the bonds must go gradually that is hardly a serious objection.

The farmers of the United States may be assured that so long as England can buy silver bullion in the United States at the present price, coin it into Indian rupees and buy Indian wheat for 64 cents per bushel, she will not buy American wheat at a higher price. But restore the price of silver by free and unlimited coinage and you restore the price of wheat and all other farm products that are exported 30 per cent., which was lost by the demonetization of silver.—Indianapolis Leader.

SENATOR STANFORD

The Government's Duty to Furnish Money on Proper Security.

The California Senator's Generous and Comprehensive Opinions on the Money Question.

Editorial Correspondence San Francisco Argonaut.

Intent upon the object of proselyting with the members of congress in the direction of the free and unlimited coinage of silver, I approached our senior senator to ascertain his views. To my surprise, I ascertained that Senator Stanford not only favored the free coinage of silver, but he left the impression on my mind that he entertained still more generous and comprehensive opinions in reference to increasing the circulating currency of the country.

Senator Stanford said that it was the duty of government to issue currency upon the value of real property, or to authorize the establishment of national banks, with power to put legal tender notes in circulation upon such security, which should be guaranteed in their redemption by the treasury of the United States—and why not? He says if a national bank purchases bonds issued by the general government, and, to the extent of 90 cents on the dollar, is authorized to put notes in circulation as currency, of which the general government guarantees the payment, if bullion from the gold mines may be taken to the mint and have its value fixed by the impression of a die, if silver bullion may be accorded free coinage because of its standard and fineness, why may not a farm or a town property of established, fixed and certain value be used as the basis of a sound and healthful currency?

"I can see no reason," he says, "why land or town property, having attained a permanent value as indicated by the assessor's estimate, or ascertained by impartial valuers, might not be used as currency with as much confidence as the paper obligations of government or as the metals produced from mines.

"I have seen the financial world twice driven from its prosperity, by the fear lest the excessive production of metals should prove valueless for use as money. When the immense output of gold from the placers of California and Australia reached their maximum, the financial world underwent a panic, lest gold should become too plentiful for safety, and when the large discoveries of silver in Nevada began to be felt, the same alarm pervaded financial circles, lest the white metal should become too plentiful for any other use than in the arts. The best money is that based upon the wealth of the nation and the prosperity and honor of all its people. Currency that has for its security the real property of the country is more surely guaranteed than by bullion produced from the mines and stamped at the national mints. The country owns no mines, and who shall say that the time is distant when private ownership shall hold in trusts all the mines and be entitled to all the royalties? And of what value will be the constitutional provision that gives government the right to coin money, if it has neither gold nor silver to coin and stamp?

"To coin and issue money for circulation is not the most important function of government. When it is considered that the congress of the United States, the legislatures of the several states, and the municipal bodies of incorporated cities are armed with the power of taxation and individual assessors clothed with the right of valuation, for purposes of taxation, and that for the non-payment of taxes the tax-collector may sell, without judicial investigation or decree of a court, without reservations of the rights of miners, absent persons, or persons of unsound mind, how much less significant seems the power to coin money and control its volume of circulation.

When it shall be understood that money is to be issued by government for the benefit of the great class of producers who demand it for industrial purposes, and that it is not created for the benefit of usurers to sweat it, and of gamblers to risk it, and of misers to hoard it, of millionaires to accumulate, and spendthrifts to distribute it in the gratification of their luxurious tastes, then some of the errors which now pervade the whole financial system will have been dissipated and the

the descendants of the white and black race, will work out ultimately the most beneficial results to all the citizens of this commonwealth.

"It is from this direction that I look for the dawning light which shall encircle our country with a halo of inextinguishable glory. Common sense, resulting from education, will insure to every child born upon our soil the inheritance and protection of equal rights and the operation of equal laws for their preservation and maintainance. I am myself a workman, my interests run in common with labor. I was born to the inheritance of industrial pursuits, my sympathies are with the class from which I came, and if I have friends, as I hope I have, in New York or London, in Wall or Threadneedle, or Lombard streets, or associates among the great bankers or men of large affairs, I trust I have not lost touch with the class from which I came, nor sympathy for those who own the lands and are engaged in their cultivation, nor for the larger community of toilers whose burdens are only relievable, by honorable and well-paid labor."

FRANK M. PIXLEY.

Washington, D. C., Feb. 12.

Money for Farmers.

Porcupine, Los Angeles, Cal.

The proposition has frequently been urged by labor and farmers' papers that the government loan money to farmers on mortgage on the same terms it loans to the national banks, that is at 1 per cent. per annum. The loan to farmers would be perfectly safe, and the interest would be perfectly safe, while the benefit to the farmers and the communities and the nation would be simply incalculable.

The Porcupine and its editor has never particularly admired Leland Stanford, yet the fact that the senator champions this measure of justice to the farmers, as well as his bill for encouraging co-operation makes it appear that our prejudice against Stanford, the president of the Southern Pacific, has prevented doing justice to Stanford the man, and the senior legislative officer of this state.

SENATOR STANFORD's proposition to have the government act as a lender of money "at, say 1 or 2 per cent." is one that throws in the shade Mr. Blair's pet project to transform Uncle Sam into a national pedagogue. Between them Uncle would have his hands full and his pockets empty. —Public Ledger, Philadelphia.

Books. Pamphlets.

RAPIDLY ORGANIZING

Senator Stanford's Co-Operative Club
at Kaehlerville.

The Silver Question in California.
The Financial Administration
of the Country Condemned.

Editor THE NATIONAL VIEW.

A very enthusiastic meeting was held at this place March 11, and a club organized by the election of N. M. Kaehler, president; O. G. Wood, secretary; Gallant B. Brown, treasurer, and I. L. Willits, corresponding secretary.

The following paragraph was read from Col. Lee Crandall, of THE NATIONAL VIEW:

"I am fully advised that Senator Stanford will soon make a speech in the senate that will startle the shylocks who have had a corner on money for over twenty years. The senator is coming square out for the industrial people and he will be their champion in the future."

Upon the reading of the above Mr. Brown moved that the club adopt the name of "The Stanford Co-Operative Club," which was adopted. A high compliment was paid Gov. Stanford in a neat little speech by Mr. Wood.

The petition sent out by the National Silver Committee was read, heartily approved and signed by every member of the club.

Kaehlerville is situated on the line between Tulare and Kern counties, about 2000 feet altitude, clear, cool water, unequaled climate and a soil unsurpassed anywhere.

This part of the country is rapidly filling up and when the railroad that has been contemplated is built, Kaehlerville will soon become a place of considerable shipping importance, stock, hay, lumber, fruits and all farm products will well support a railroad. The beautiful valleys and scenery nowhere equal this section nor offer so many inducements for residence and the enjoyment of perfect health.

The financial administrations of the country for the last twenty years was heartily condemned by all those who

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spoke to the club and the general expression was: "That if Governor Stanford determined to oppose the shilylocks and espouse the cause of the whole industrial people prosperity would return, and the mission seems to open to Senator Stanford at this time as the natural leader of the people of this great nation." It was said by a member of the club "that Senator Stanford is getting nearer the whole people than any man in high political position in the United States."

THE NATIONAL VIEW was accepted as our official organ and a canvas will be made in its interest.

The next meeting will be held at Rural District School House which promises to be a rouser.

There is also meetings advertised for a number of places and thus the wave for the people rolls on. Will hear from me soon again with the results of the canvas for THE VIEW. As ever yours,

A. E. R.

To the Senate and House of Representatives, Washington, D. C.

Gentlemen: You gave to the money power of the world the control of the finances of our country, which has enabled them to absorb the profits of labor, unsettle the value of property, and brought the wealth producers to a degree of destitution in a few years, unparalleled in the history of the world.

Such total abandonment to schemes of robbery, by legislation, is but little less than treason; and the perpetrators of these wrongs on the people, should be denied a home on American soil.

The following measures of relief to the industrial classes and justice to the old soldiers must be granted.

First. No more bonds issued.

Second. The free and unlimited coinage of silver.

Third. On the retirement of national bank currency legal tender United States notes to be issued thereof.

Fourth. The government to loan money direct to the people on landed security at the actual cost of placing the loan.

Fifth. The passage of senate pension bill No. 1094, introduced by Senator Ingalls in the United States senate, December 11, 1889.

[Thousands of postal cards as above are being mailed to Senators and members of congress.—Ed.]

Old Fashioned People are Startled by the New Financial Proposition.

The Wealth Producers Have Made a Demand in Good Faith and are in Dead Earnest

Herald, New York.

It is to the Farmers' Alliance, it seems, that we owe the new financial propositions which have startled old fashioned people within the last week—such as Senator Cullom's bill directing the treasury to lend money on real estate at 2 per cent., and Senator Stanford's similar joint resolution to lend at 1 per cent.

The Farmers' Alliance is an organization which claims to have a large and rapidly increasing membership in western and southern states. What may be the aggregate number of this comparatively new society's membership we do not know, but it intends to cut a great figure in the fall elections, though not by setting up as a third party. Its leaders are too shrewd for that. The members agree to vote only as for a fellow-member for any office from congressman down, but that fellow-member may be of either party. We have been told that in Missouri alone the alliance has 250,000, and it is apparently powerful also in Georgia, Illinois, Texas and California.

The alliance favors, in general, "more money." It demands, therefore, the unlimited coinage of silver. It would probably accept the schemes of Senators Cullom and Stanford for government loans on real estate, and the chief of the order for Georgia a few days ago announced his determination to force all candidates for congress in that state to commit themselves to an act of congress directing the treasury to lend money on the security of crops in the field.

The great measure of the order, however, to which it seems to have committed itself everywhere, is found in a bill introduced in the senate by no less a person than Senator Vance, of North Carolina, and in the house by Mr. Pickler, of South Dakota. This bill, declares, "Embodies the demand of the Farmers' Alliance and Industrial Union." It directs the federal government to set up "in each of the counties of each of the states of this

United States" where the annual gross product of cotton, wheat, corn, oats and tobacco shall be worth \$500,000, and where 100 citizens shall petition for it, "a branch of the treasury department." This county sub-treasury is to consist of a warehouse and elevator and a printing office, and the county sub-treasurer is to receive from the farmers and store safely all the cotton, wheat, corn, oats and tobacco brought to him by the farmers, and issue to them paper money to the amount of 80 per cent. of the estimated value of their product stored, on which the farmers are to pay 1 per cent. interest. The notes thus issued against grain, cotton and tobacco are to be a full legal tender for all public and private debts.

The secretary of the treasury is commanded to put up proper warehouses in every county which comes under the law, with elevators and other conveniences, and the bill appropriates \$50,000,000 for this purpose. To make the duties of the secretary of the treasury the more easy and pleasant, the bill directs that the sub-treasurer shall be elected at congressional elections and shall hold office for two years.

All this may make some readers smile, but, after all, these alliance people are in earnest. They assert that they have at this time in their membership over 1,000,000 voters, and they have had sufficient influence to induce Senators Stanford, Cullom and Vance to introduce measures pleasing to them. Nor should it be forgotten that, by decisions of the highest court, and by party policies approved by the people and enforced, even this absurd bill of Senator Vance can be justified.

1. When the supreme court decided that congress had power to declare paper money, or anything else, a legal tender at any time.

2. When congress did accordingly declare 75 cents' worth of silver a legal tender dollar.

3. When congress, during all the period of high protective tariffs, made these laws on the basis that it has a right to take from A, B, C and D and give to E, and help him to carry on a losing business.

4. When the treasury proposes to buy and warehouse silver, issuing notes against it—these four steps conduct the country by a logical and coherent process down to this lowest deep of state socialism now propounded by the Farmers' Alliance.

We do not suppose the present congress will pay attention to these vagaries. But the American people are sufficiently intelligent to draw logical conclusions, and with corn at 10 cents a bushel and wheat below 75 cents, the increasing numbers of the debtor class will not long be content to stop short in the career on which congress and the supreme court have launched the country. You cannot go on preaching and enacting state socialism forever in any country, and least of all in the United States, without making an inconvenient multitude of converts, who will reduce the doctrine to practice in their own way.

Another Socialist Senator.

Sun, New York.

There are a number of advanced socialists in the present congress, and every week and almost every day, some socialist bill is introduced into the senate or the house. Most of these measures are probably mere buncombe, and just at present there seems to be a conviction in the minds of the statesmen at Washington that the farmers are yearning for buncombe, and will be satisfied and even grateful if they get it.

Senator Stanford, of California is hardly the man from whom an outburst of socialism and sentimental political economy would be expected, but the resolution offered by him on Monday is such an outburst. His resolution instructs the committee on finance to inquire what relief the government can give for the existing agricultural depression, and whether it will not be advisable for the government to loan money at a nominal rate of interest, secured by mortgages upon real estate. "If the farmer," said Mr. Stanford, "were able to borrow from the government, without interest, a certain amount of its bills, giving his farm as security therefor, to that extent his land would become an active force, and he would be enabled, while giving employment to the extent of the money loaned him, to improve his farm and increase the value to the full amount of the loan. Thus the government loan would be doing double duty. Now, the activities of this money do not terminate with its expenditure by the farmer; those who have received it, in their turn, will make use of it as an energizing factor in the force of life, to an indefinite period. How far the boundless resources of our country shall be put into activity depends not only upon the active industry of our people, but upon the power necessary to induce that industry, and it should be the fostering care of the government, to see that such industry receives every encouragement."

The fostering care of the government exerted in the direction proposed by the California senator would soon bring about a pretty condition of things. All the thriftless or reckless farmers would borrow money of the government. All the wornout and worthless land now in private hands would be unloaded upon the government. The first step, and a very long step, in the "nationalization" of the land would have been taken. The advocate of the abolition of private ownership of land would be crazy with joy to see the private "monopoly" in a fair way to be supplanted by government monopoly.

SENATOR STANFORD has received a number of telegrams from bankers and others criticizing the resolution, and declaring that if the scheme he proposes should become a law it will virtually destroy the banking business of the country.—Washington Post.

THE RICHEST

United States Senator Favors Government Loans to Farmers.

World, Chillicothe, Mo.

Senator Stanford of California, who is many times a millionaire, is the first United States senator, we believe, to come out flat-footed in favor of government loans to farmers. Mr. Stanford has all the earthly possessions that anyone should desire, is advanced in age, and has reached that time of life when selfish ambition should give way to noble ambition and a desire to do such deeds as furnish a delicious draught to the soul. Mr. Stanford has had pending in the senate for a year or two, a co operative measure, which also looks to the betterment of the condition of the masses. There is also another measure which interests Mr. Stanford, and that is the proposed extension of time, to seventy-five years, of the payment of, and a reduction of interest on, the debt due the government by the Central Pacific railroad, from which road, we understand, he has made the chief part of his vast fortune, and in which he is yet interested more than any other person. It might appear, and probably does appear to some, as though the action of the senator in favoring the farmers and working people just at this time, is for the purpose of mollifying the opposition to the greater favor that is now asked by the Central Pacific. This is the way it will likely strike most every one. In fact such conclusion must force itself upon everyone who is not intimately acquainted with the senator. To his intimate acquaintances it may appear entirely different. We hope it does. We hope the able mind, the strong will and the vast fortune of the senator may be enlisted in the cause of humanity, to work in which will furnish any man, no matter who, more genuine satisfaction than can be obtained in any other way.

The World is Moving!

Labor's Tribune, Carthage, Mo.

Now comes Senator Stanford of California, who is supposed to be worth \$30,000,000, and suggests to congress that the government loan money to the people at a low rate of interest—1 or 2 per cent. per annum, with real estate security. Coming from the source it does this will be looked upon as a radical move, and we confess that we are surprised to see it come up now. It is, however, the result of the agitation and

educational work accomplished by greenbackers, which the logic of events now fully sustain, and show conclusively the wisdom of such a policy. We were a convert and have been preaching for ten years the identical plan suggested by Senator Stanford. The demand for government loans to the people has been in greenback and Union labor platforms for years. It is a measure that commends itself to honest thinking men, and is becoming popular to men in all parties. Stanford's measure is not a bill but is in the form of a resolution put out as a feeler. It remains to be seen how congress will deal with the question. We want to say now that we have no faith in congress taking any action whatever toward the adoption of a measure of this kind, beyond a waste of windy speeches, for the reason that its members were not elected for that purpose. The principle of government loans to the people at a low rate of interest, is a blow at shylockism that we are slow to believe the present congress will make. It has been suggested that the measure is not put forward at this time with any idea of acting upon the matter in good faith for the relief of the people, but the object is to make a pretense of doing something and yet not doing it. The time for pretenses has passed. The country has had enough of it. Promises of old party politicians are at a decided discount. The country needs relief at once, and the man who dallies is in danger, and will hear from the people.

THE scheme of the Farmers' Alliance for government loans, to lift mortgages, is published in this issue. Of course its publication does not imply indorsement. It is a part of the political history of the times, and indicating the views of a large part of the class who constitute the real back-bone of the country, it is entitled to consideration. The movement everywhere visible among the farmers betokens the general discontent with existing conditions, and with the notable unrest of the wageworkers and the tendency to harmonious action between the two, is a notice of political possibilities that will not be unheeded by politicians of all parties who "have their ears to the ground." The whole country is indebted to the farmers' grange for certain legislative results acquired for the benefit of the people at large, and while unfair prejudice and extravagance may be visible in some cases, there is no doubt that much more of general benefit to the masses as against the plutocrats, may be the result of future discussion and organized effort in the same direction.—Express, Ionia, Mich.

DON'T LIKE IT.

The Men Who Make a Business of Bleeding the Western Farmers.

News-Vidette, Salem, O.

Senator Leland Stanford, who introduced a resolution in the senate on the 10th inst., instructing the finance committee to investigate and report upon the expedience and desirability of the government loaning money upon real estate mortgages at a nominal rate of interest, 1 or 2 per cent. per annum, retaining the right to call in a certain proportion of the loans when the occasion demands, has been snowed under with telegrams from bankers and others criticising the resolution and denouncing the scheme with considerable evident alarm. The telegrams are unanimous in declaring that if the scheme he proposes should become a law it will virtually destroy the banking business of the country.

The bankers need not be alarmed for two reasons. In the first place there are too many bank stockholders in congress just now to pass such a law. In the next place, it would not at all interfere with legitimate banking. It would, however, be a deadening blow at the shaving shops that set up out west to skin the farmers to the bare bones with enormous rates of usury. They are not doing a legitimate banking business, but under the pretense of doing so they have been engaged in a work of robbery for twenty years. They ought to be knocked out some way, whether Stanford's way of doing it is the right way or not.

Probably the senator is moved in the matter by the growing disposition in the west to find relief from the burden which has been made necessary by the average condition of settlers and the avaricious sharks organized in eastern cities and in England under the name of loan associations to scoop the farmers' earnings for years and at last get his land and the improvements. Large tracks of such lands which have been deserted by the farmers, can be run onto in central and western Kansas, in Nebraska and in all the new western states, the only signs of its ever having been inhabited being the decaying structures reared for habitation and homes. You can find agents for these lands almost anywhere in the towns of the west, who are endeavoring to sell it as improved land and offering to loan money to set men up and to repeat what has already happened.

People who have left these lands in discouragement have gone to the newer territories. Hence the Oklahoma rush. But they find the loan agent there in advance offering tempting inducements to settlers who in their desperate enthusiasm take the bait, and in eight cases out of ten are liable to get caught in the same old trap. If not they are tempted to improve too fast and are destined to carry a weight of debt for many years paying enormous interest. It is often the case in Kansas that farmers have to borrow money to buy feed for their flocks. Especially this is the case with herders. It is rare that money can be borrowed as low as 12 per cent. and men who get it at that rate, are regarded as very fortunate. It is this class of borrowers who would appreciate such a scheme and it is the sharpers, who get these rates up to 2 per cent. a month who would get hurt, and may be expected to do some very frantic kicking and are already manifesting their waspishness about the ears of this republican senator from California. Bankers generally might naturally feel a little apprehensive about the proposition were there any chance for it at present, but it is only those who make a business of bleeding the ambitious, but poor farmers of the west who need to feel that the success of the scheme would lose them their occupation.

Whether the proposition is feasible or not, it would have to be handled with caution and not rushed forward without candid investigation and guarded with the utmost wisdom.

Senator Stanford's Scheme.

Critic, Washington, D. C.

The most notable financial scheme ever introduced into congress was embodied in a joint resolution and referred to the committee on finance in the senate today. Senator Stanford recites the great depression prevailing and the vast amount of debts and mortgages which threaten general bankruptcy. He proposes that the government shall loan money at 1 to 2 per cent. on real estate.

In a brief speech he pointed out the suffering caused by breaking up the homes of the people—the great number of farms mortgaged, the unemployed labor, and lack of power among the people to exchange services.

The remedy was to supply the people with sufficient money, which congress only has the power to issue.

The national banks now borrow upon bonds at 1 per cent. and loan the money at higher rates only upon indorsements with gilt-edged collaterals.

STANFORD'S SCHEME.

Money Loaned by the Government to All Who Desire it.

The Age, Duluth, Minn.

To-day the people find themselves involved in a debt that it is utterly impossible to pay under the present finance system. The entire volume of money in the country is not sufficient to pay one year's interest on the aggregate indebtedness of the people. It is safe to say that the banks could not pay more than 20 per cent. due to depositors if it was all called for at one time. Hence, as a matter of necessity, credit obligations, bearing interest, take the place of money in the transaction of business, and the volume of debt rapidly increases, while the selling price of products, the only means of payment possessed by the people, decreases in the same proportion. This condition of affairs was predicted a quarter of a century ago, as the inevitable result of our system of currency contraction and consequent credit inflations. It was then a theory and those who made such prediction were called theorists. But the predictions have been fulfilled and we are now brought face to face with the condition. The increase of wealth has been phenomenal, and yet the people are in debt far beyond their means of payment. Pay-day cannot be put off much longer, and if the present system is continued universal repudiation will be the logical result. How can this be prevented? is the question which is forced upon the millionaire as much as it is upon the producer. If the people in their desperation repudiate, the capitalist is left without an occupation or an income.

Hence some such scheme as that attributed to Senator Stanford would naturally present itself to that class of people who would lose everything by a universal refusal to pay. Such a scheme would convert the debt into the form of money. This would give to the creditor something while by repudiation they would lose everything. If the people are unable to pay when pay-day comes, the result will be repudiation. Hence it would be wisdom on the part of the creditor to move in favor of a system that would give him all that the people are able to pay.

The first effect of government loans without interest would be the cancellation of all interest-bearing debt. When this debt was paid the creditor class would have possession of nearly all the money, and with the continuation of the present system the present condition of affairs would be reproduced in a few years with great profit to the money holders. Hence, when the millionaire combinations are brought face to face with a universal refusal to pay on the part of the great mass of the people, it is not unlikely that a large number will be in favor of government loans so that the burden of debt may be distributed, more wealth created, to be followed by another era of currency contraction and debt creating. This looks like a feasible explanation of Senator Stanford's scheme, and whether it is or not, it is certainly very significant. The present condition of affairs certainly cannot be perpetuated. The people will refuse to be crowded any lower, and capital must adapt itself to the coming changes or lose all.

WASHINGTON, D. C. March 10.—Senator Stanford, to-day received a great many telegrams from bankers and others, criticising the resolution he introduced relative to government loans on real estate at a nominal rate of interest. These telegrams are unanimous in declaring that if the scheme he proposed should become a law it will virtually destroy the banking business of the country.—Record, Philadelphia, Pa.

SENATOR STANFORD unexpectedly appears as the champion of the people. His remarks on the resolution directing inquiry as to the feasibility of loaning money to the people on real estate is a surprise to the country and will be gratifying to the old guard. The day is dawning. Mr. Stanford speaks solid truth; money is the one great necessity to energize this people, these measures are the measures immediately necessary. The soldiers are pushing their fight for a service pension and will win. The legislation now pending cannot be prevented by old shy; the people will and must have relief. On with the fight.—Indianapolis Leader.

MONEY.

There is wealth enough in the country, but it is not distributed to suit the many. Instead of being within reach of the large number of business men who are scattered all over the country, it is in possession of the few, in the hands of the "head centers" who control stocks and trusts. And so, as a matter of fact, they hold the keys and monopolize the uses for which it is supplied.

In this respect, it should not be forgotten, the banks are one of the greatest factors. The banks aid the millionaires and the millionaires aid the banks. As things go, the government gives them the privilege of furnishing the circulating notes, which take the place of money and upon which it pays the interest in order to get money in circulation.

What an injustice and loss of money is done the people when the government compels them to pay interest to bankers for this purpose, when, as a matter of fact, the government could furnish it all itself. More than this it is a neglect of duty for it to refuse to furnish all the money that is needed in this respect. There is no difficulty about this now. The supreme court having settled the question, there need be no fears. We can have fiat money if we choose. The government can give us gold, silver or paper, or it may authorize the use of all of them if it chooses to do so. Henry Clay was not far from truth when he said: "Anything that the government will receive in payment of public dues is money, and good money, no matter what its form may be." There is no lack of authority on this point. We are not limited to the old leaders. The present furnishes enough and more. Why hesitate, stop and falter by the way.

Let congress appreciate its opportunity and accept the responsibility without flinching. Let it lift our financial system out of the old rut in which it has become entrenched and then adopt the policy which a common bimetallic implies. Give us gold, silver and government certificates without delay—and in sufficient quantities to meet all the demands of business which the country requires.

Then there will be peace. Then there will be general business prosperity and universal content.

Stand up, Messrs. congressmen, and face the music. The people are waiting and hoping, do not disappoint them.

Smash the old machine and give us a new one, bright, new and clean greenbacks, certificates will fill the bill and please the people, make business hum and end the agitation.

O, golden opportunity! Seize it while you may and earn a name for sagacity, wisdom and courage which will live in the archives of the fifty-first congress as long as these noble qualities shall be known and honored among men.

SENATOR STANFORD speaks out manfully, earnestly and emphatically in the interest of the people.

"THE WORLD DO MOVE"

For President, 1892, Hon. Leland Stanford, of California.

For Vice-President, Hon. Thomas C. McRae, of Arkansas---A People's Ticket and a Good One.

Editor THE NATIONAL VIEW.

I see THE NATIONAL VIEW is still alive and wide awake on the money question.

Its issue of Saturday, March 8, is a remarkable one and is full of matter which is worthy of careful consideration by the people of this country.

The views of Senator Stanford, of California, on the money question, as republished from the Argonaut, will take not only the bankers but even the greenbackers of the country by surprise.

Mr. Stanford proposes to out-greenback the greenbackers themselves.

The ideas advanced by Brick Pomeroy in the days of his greatest greenback enthusiasm are hardly equal to those of Senator Stanford, as given in this interview.

He would not issue greenbacks simply

to pay the public debt, as proposed by Pomeroy, but goes still farther and proposes to issue government currency enough to allow the farmers to cancel their mortgages.

Whether the senator's views are practical or not, they will certainly command attention and open a discussion of a question which will perhaps lead to the adopting of some plan that will give the farmers and working class of this country some relief from the present depressed condition under which they are suffering.

The speech of the Hon. Thomas C. McRae, also, of Arkansas, in the house of representatives, is full of good, solid matter and is leading in the right direction.

You are doing a good work in advocating unlimited coinage of silver.

If we can get that, even, it will be a great relief to the country.

THE VIEW should now hoist the name of Leland Stanford, of California, as its candidate for president in 1892, and Thos. C. McRae, of Arkansas, for vice-president.

I regret to learn through your columns of the death of Dr. D. L. D. Sheldon, who was for many years an earnest advocate and worker in the greenback ranks.

Keep the ball rolling. The day of relief to the farmers and working class of this country seems to be dawning.

E. P. MILLER,

39 and 41 West Twenty-sixth street, New York City.

Senator Stanford's Money Plan.

Post, Washington, D. C.

Editor Post: The resolution of Senator Stanford, concerning government loans upon real estate, is not perhaps meant as the assertion of a new policy or principle in this country concerning mortgage loans, but nevertheless I hail it as the dawn of a coming morn when no private citizen or a corporation shall be permitted to draw one dime of annual interest money. This selling of private credit for money is an infringement upon the prerogatives of government. No government should borrow money and pay an interest, but it is both wise and just that a government should loan money and receive interest. When we issued the greenbacks we reversed a most disastrous policy that had hitherto prevailed, and when we come to see that the true system of all money dealing is strictly a government prerogative, and shall act upon it, we will in like manner discover that we have built wiser than we knew.

Mar. 29, 1890

Following a Law of Wisdom in Nature.

Woman's Chronicle, Little Rock, Ark.

Senator Stanford's proposed bill, allowing the government to loan money at a low rate of interest to the farmers, is scarcely expected to become a law, as it is claimed by some parties to be unconstitutional. The senator, however, in submitting the bill, will be following a law of wisdom in nature; neither will it be the first piece of wisdom dashed by a breaker upon the rocks of constitutionalism and lost. The senator evidently understands farming, and knows that when the farmer discovers the branches of his fruit trees are dying, leaves wilting and the fruit dropping off, he doesn't mix a lotion and with a flannel rag begin to rub the limbs and bathe the leaves. Oh, no! He straightway hauls a load of rich earth, digs down about the roots of the tree, throws out the stones and exhausted earth, and fills in the rich soil. Now, the farmer is the root of every nation. The senator has discovered that something is wrong with some of the branches of prosperity in our country, and straightway, with the unerring instinct of natural wisdom, he proposes to doctor the root. Good for Senator Stanford.

SENATOR STANFORD knows what the people need, cheap and abundant money, but his millionaire brothers will be applying to get rooms for him in some fashionable insane asylum.—Iowa Tribune.

April 12, 1890.

Write Him A Vote of Thanks.

Iowa Tribune.

If Senator Stanford's (greenback) proposition could be legalized, there would be no more shirts made in the United States at 50 cents a dozen, no more homes occupied by the grace of usurers, no more suicides of honest men and women because they cannot secure bread. No more starvation under the shadow of millions of bushels of wheat and corn. Debts would be paid and life would take to itself new charms everywhere.

Hail the day, oh toilers! We suggest that the readers of this paper invest a postal card apiece. Tell Senator Stanford over your own name that he has introduced the most important proposition into the United States senate that was ever made there, a proposition to free a race from bondage. Ask him to crowd it to a vote, and never to let up until success crowns his efforts. Do not put it off a day. The bankers have telegraphed him long messages to tell him of the ruin to their skinflint business which would result. Let the people write him of the general prosperity which would follow United State loans upon farms.

There is Money Enough.

National Free Press, Marion, Ia.

When money can be had at a rate of interest that leaves a margin for profit in legitimate business, then those who justify usury can claim there is money enough. Anything less is enough for those who want to rob the people by usury. Any government that keeps money so scarce that it commands a rate of interest that it impoverishes the people is a robber government. Any and all parties that upholds such a system are assistant robbers, and the man who is constantly saying there is money enough when interest is robbing the people, is either ignorant or wilfully playing second fiddle to the money devils.

It is in order now, to misrepresent, ridicule and abuse Senator Stanford, of California. He has in the eyes of the money god, committed the unpardonable sin. The national banks will let loose their blood hounds, to terrify the brave senator, who has dared present a bill in the interest of a suffering people. A bill which asks the government to lend its credit to the people, on unquestionable security, at the same easy terms, it has accorded to over 3000 national banks.—Our Own Opinion, Hastings, Neb.

A KNOTTY QUESTION

That Is Causing All Classes of Our People Great Anxiety.

How Far Shall the Accumulation of Our Nation's Capital in the Hands of the Few Go?

EDITOR OF THE NATIONAL VIEW.

History presents, in the epoch preceding the French revolution, a lesson well to be reflected upon at this time. The sharp division then existing between the nobles of the court, appropriating and squandering the resources of the kingdom, and the peasantry, the farming population of France, had reached its climax. The fact of an agricultural population crushed under a system of excessive taxation, oppressed by the exactions of the government and the nobility, caused a universal depression in the finances of the country. The mutterings of the storm of revolution were heard, and yet, in fancied security, the government and the nobility were heedless of the portents of the time. The extravagance of the oppressors increased in a ratio with the poverty of the oppressed. At last the crisis came, and the pages of history are a record of the ensanguined struggle that shook the institutions, not only of France, but of all Europe, to their very foundations.

It is an axiom that history should be the instructor of the generations to come, and that, in its pages, lessons of national wisdom should be found. History should be to the nations what experience is to the individuals. Have we not reached a state of affairs in this country justifying this glance into history?

Without anticipating either the terrible measures of relief seized upon by the French peasant, or thinking the class distinctions as sharply drawn under our republican institutions as they were in royal France, yet a similarity in the condition of affairs of the French, preceding the revolution, and as now existing in the American republic, cannot be overlooked.

Place on one side the oppressed, fainting condition of the agricultural interests and on the other the oppressing influence of the aggregation of capital and its numerous huge combinations, and a similarity in the condition of affairs noted, will be apparent. The farming interests of the country are languishing; the capitalistic interests are more than flourishing. The farmer is poor, hardly able to hold on to an unprofitable industry, whilst the capitalist is heaping up riches that are dangerous alike to the welfare of the country and the stability of republican institutions.

Trusts of all kinds fill the land and the influence of the capital controlled by them is felt in legislation and in every business. It is the threatening question of the future how far this accumulation of the capital of the nation in the hands of the few shall go and what will be the result of such a continued accumulation. The farmer, the mechanic, the small business man alike have to consider this threatening danger and to unite in some measure that shall avert it. Especially have the farmers of the country to look this matter in the face. The depression of the farming interests of the country is not confined to any particular section or any branch of the agriculture of the country. The ranches of the west, the plantations of the south and even the fruitful farms of the east are alike subjects of this depression.

One cause underlies this universal depression of the farming industry. The inability of the farmer to obtain at reasonable rates the money required for his business. The circulating medium of the country is undergoing a steady contraction through the calling in of the government loans and a concentration in the hands of the capitalists. To avert an impending crisis in the farming interests of the country there appears only a two-fold expedient, viz.: an increase of the circulating medium to a basis sufficient for the needs of both commerce and agriculture, and a placing of the money of the country, at a reasonable interest, within the reach of the farmers.

Senator Stanford, of California, offers in the resolution introduced by him in the senate, a solution of this financial problem. The story of the egg of Columbus seems to have received a new illustration. When the problem was proposed by the great discoverer, to stand an egg on end, none thought it possible to be done, and yet, by a slight indentation, it stood. Everyone then exclaimed that he could have done likewise. Just so the proposition to assist the

farmer is an impossibility only until the way to do it is pointed out. Government owes it to the people that there shall be a sufficiency of a circulating medium. The people cannot go back to a primitive exchange of products and the government is the only source of a representative of values. It is the duty of the government to make this representative of values ample for all the legitimate transactions of the people.

The second point of Senator Stanford's proposition is to loan to the farmers of the country a part of this medium at a reasonable rate and upon sufficient security. If the representative of all values is placed by the government, at low rates of interest, in the hands of the capitalists, and by them given at greatly increased rates to the farmers, one class of the community is benefited at the expense of the other, and one of the fundamental principles of a free government is violated. It is a class legislation, and one of the worst kinds, for it affects the pocket of every farmer thus discriminated against. Let this matter be once fairly understood, and a condemnation of the financial policy heretofore prevailing will fill the land.

It is to be expected that the proposition of Senator Stanford will meet with strong opposition. The trusts that now rule the markets, own the railroads and control legislation, will oppose a trust by the government in the financial integrity of the farmers. The large, monied corporations will not fail to assail with falacious reasoning, with satire, and with every other means in their power, the consideration of a proposition that, in its practical adoption, would set their victims free and curtail their ill-gotten gains; but these, and any other considerations, should not interfere with the discussion of a vital question, or impede necessary action, when through such discussion the proposition of Senator Stanford has been shown to be of practical application and its adoption as a financial policy to be of advantage to the largest number of the people of the country. As every word helps in such a discussion, no one should hesitate to join in it, and, perhaps, from the very diversity of opinions a true and just basis of national financial prosperity may be evolved. That the interests of the capitalists will not suffer, is needless to say, for their well-filled purses will provide talent and zeal for the discussion, but "truth is mighty and will prevail."

The arguments already urged against Senator Stanford's proposition show the weakness of the opponents. An often reiterated one is that Senator Stanford's well-known financial eminence should make the farmer cautious how he trusts anything coming from such a source. This is a modern adaptation of the good book's "Can anything good come out of Nazareth?" Well, good came from that

unlikely place, notwithstanding the doubters, and here there need be no fear of a Punic faith when a capitalist above selfish considerations and needs is ready to champion the cause of the poor and the oppressed. There may yet be men left who have a heart in sympathy with humanity, and a mind large enough to grasp the signs of the time, and not narrowed in the trammels of a sordid selfishness.

AN AGRICULTURIST.

Richmond county, Ga., April 7, 1890.

Leland Stanford.

Porcupine, Los Angeles, Cal.

The measure proposed by Senator Leland Stanford, that the government help the farmers of the United States out of their bondage to the usurers, by lending them money from the treasury without interest, the money to be secured by mortgage, meets with but little support from the senators in congress assembled. Dan Voorhees, of the Wabash country, seems to be the only senator who has a corresponding sentiment in favor of the farmers.

We know Leland Stanford, and feel whereof we write:

First. That he is a man of great ability.

Second. That he is a man of great generosity and goodness of heart.

Third. That he is a very rich man—a great millionaire—and therefore, and for no other reason disliked by the people generally.

Stanford was the leading man—the man who built the Central Pacific railroad and overcame the great barrier from east to west—the great Sierra Nevadas—and made communication from east to west easy. In this one great achievement Senator Stanford showed himself to be a man of great and unequalled ability.

He was governor of California, and, perhaps, as such, did the people more honor than any governor who ever preceded or succeeded him. He was a good governor.

Leland Stanford has always been and is kind to the people. He is a man of great charity, and in his recent and present effort in behalf of the oppressed farmers we find him in full accord with the advanced ideas of the Porcupine, and in intelligent statesmanship the leading spirit of the world.

If Leland Stanford stands by these colors, he will be the next president. He ought to be.

SENATOR STANFORD, of California, has offered a resolution in the senate instructing the committee on finance to look into the question of making loans by the government on mortgaged real estate at from 1 to 2 per cent, thereby not only giving relief to the farmer, whose lands are mortgaged, but to all classes by putting into circulation more money issued direct to the government. This resolution has brought out hundreds of protests from bankers, who say it will ruin their business for the government to loan money direct to the poorer classes at such a low rate of interest. Which would be worse, to ruin a few thousands national bankers, or under the present contraction system to bankrupt 30,000,000 toilers who are struggling to live?—Weekly Toiler, Nashville, Tenn.

Farmers Disheartened.

Editor of THE NATIONAL VIEW

I have been on the wing for the past two weeks through Michigan. Everywhere is discontent. Farmers are disheartened and in many instances they are surrendering their property to the mortgagee, they taking their place in the ranks of wage workers. If some relief cannot be had we will soon be reduced to tenant farmers, as recommended by the New York Tribune. Let us hope on. Our forefathers were given a Washington to lead them out of their trouble, and we were given a Lincoln to lead us through and out of that terrible system, chattel slavery, and in its stead a system of capital control of labor has been built up. We must now look for our leaders to deliver us from this terrible system.

I believe the dawn is coming when such men as Stanford, Stewart, Jones, Voorhees, McRae and others begin to take hold. I know there will be a change. We want a president and vice-president from the west, and I second E. P. Miller, of New York city. Give us Senator Stanford, of California, for president, and for vice-president, Hon. Thomas C. McRae, of Arkansas.

J. MOSHER.

Centreville, Mich., March 29, 1890.

Will Make Him President.

Editor of THE NATIONAL VIEW.

Senator Stanford's scheme, if adopted, will not only relieve the financial depression, but will make him president.

J. E. HATCH.

West Eaton, N. Y., April 2, 1890.

Y, APRIL, 5 1890.

IS THERE JUSTICE

In the Resolutions Offered in the
United States Senate, and

Is There a Necessity For Govern-
mental Financial Assistance to
the American Farmers?

Editor of THE NATIONAL VIEW.

The new departure in the financial affairs of the country advocated by Senator Leland Stanford, of California, and ably placed before the people of the country by your paper and others advocating the cause of the farmer, meets with the due consideration of our farmers' alliances and the thinking portion of the farmers of the country. At first glance such a proposition appears to be fraught with many objections and in its practical aspects seems to offer nearly insurmountable difficulties. But such objections a careful consideration of the subject gradually removes, and the justice of such a financial departure from the old routine once clearly demonstrated, the difficulties in the way of carrying the senator's proposition into practical effect cannot be considered.

Is there a necessity for governmental financial assistance to the farmers of the country and is there justice in affording such? are the points first to be settled. Who, acquainted with the farming interests of the country, can doubt the necessity of some steps to be taken to relieve that industry from the onerous burden now resting upon it?

More than perhaps any other section of the country, is the south interested in this question. Left by the war with desolated fields, destroyed homes, depleted of farming stock and farming implements, the southern farmer has since labored in the hopeless task of restoring

these losses. The soil was left, all else was destroyed. His hands were ready to restore the ravages of the past, but the means were wanting to aid his industry and toil. The procuring of the necessary funds for his operations proved an absolute impossibility in many sections of the south and when such funds were procurable, they could only be had at an interest destructive of any hope for a remuneration of his labor.

The government loans, readily placed with the banker and capitalist at low figures, were in their turn doled out by the banking institutions of the country to the farmer at almost prohibitory rates. It is an undisputed fact that under the financial system heretofore prevailing the farmers have had a bare living, and hardly that, and instances are sufficiently numerous to establish the fact that the ownership of the lands of the country is passing into the hands of the banking institutions and the farmers are left landless and homeless. Is there another industry that could have, even thus long, survived the exorbitant rates of interest the farmers have been compelled to pay? In the cities an 8 and 10 per cent. of interest is considered crushing, in the country money at double this interest is hardly to be obtained. And yet, is the real estate of the cities more stable, more to be trusted, than the land that produces the primary necessities of life?

It is a proof of the exceptional vitality of the farming industry that the burdens now resting upon it have not yet entirely crushed its life and that widespread desolation does not fill the land.

But such evil day is only postponed by the disheartened efforts of the farmers of the present, and unless the signs of the times are heeded and relief is afforded, the impending catastrophe cannot fail to fill the land with the wreck of the farming industry. And not less than the necessity for a relief is the justice apparent. The farming industry, in the main, supplies the country's revenues, and has enabled the country to maintain its position of financial solvency.

The consumer, after all, pays the heavy tolls of protection and the duties laid upon imports. Upon the farmer, as the basis of the human society, rests the vast structure of the financial interests of the country in its departmental expenditures and pensions. Is not such an industry entitled to relief from onerous and unnecessary burdens? Has not the money-

producer a right to claim the fostering care of the government and a right to demand recognition as a financial factor?

Great banking institutions, fostered by the government, may add to the wealth and beauty of the cities, but are a terrible commentary upon the government's partiality when placed beside a depressed state of the farming interests and farms gone to waste for the want of means with which to work them. Under the financial system as now prevailing, the cities increase in size and numbers, and the farms, profitably worked, decrease. The sheriff is kept busy in offering unproductive estates in the market.

Senator Stanford's proposition to advance to the farmers of the country government assistance, in loans at a low rate of interest, meets the necessity of the case as well as the demands of justice. It would eliminate the financial middleman, and with him his shyllock's percentage, which is the main burden the farmer now has to carry.

It is no reply to this proposition, that difficulties appear in the way of the carrying out of such a financial scheme. What ought to be done can be done. Wherever a necessity presents itself the way can be found to meet it. A census is a difficult thing. The collection of a large internal revenue appeared at one time a difficult matter, and yet the revenue was collected and the census is taken. Let the senator's proposition assume the shape of an understood necessity, and the carrying of that proposition into effect will become a practical business question readily solved.

As a farmer, deeply interested in my class, as a citizen, desiring the continued prosperity of the country and its development in every respect, I add my mite to the discussion of this vital question of the present and the future, and cry a God-speed to the senator's bold attack upon the unjust discriminations in the government's financial policy, and welcome the agitation of this question in your paper and others that have the farmers' interest at heart.

ALLIANCE.

Columbia, S. C., March 21, 1890.

\$119 69
2 00
\$16 40
\$347 65
160 00
2 25
25 20
\$55 00

Laboratory.

Continued.

LOANING TO FARMERS

Is One of the Most Important Politico-Economic Questions of the Age.

The Passage of Such a Measure Would Set the Coping Stone to Universal Prosperity.

The Argus, San Francisco, Cal.

The proposition laid down by Senator Stanford, in his recent speech in the senate, respecting the advisability of the government making loans to farmers, is, as might be expected, creating a vast deal of discussion throughout the country generally, and particularly in the public press. It is a proposition which opens up a wide field for speculation, and one which is destined yet to rank among the most important politico-economic questions of the Age. As has also to be expected, the argument of Senator Stanford has met with opposition, particularly on the part of that class of self-sufficient persons which imagine that it has sounded all the depths and shoals of political economy, and the views of which are cut and dried, crystallized and held superior to any innovation. Whatever may be the nature of any movement advocated by Senator Stanford, it is prima facie evidence of its merit and worth that such movement has been marked by his approval. If there is any one quality more than another for which the senator is distinguished, it is sound, practical judgment. He has been accustomed all his life to look at things from the practical rather than the theoretical side. His career has been one in which facts, figures and statistics have played the most prominent part. There is, therefore, we repeat, prima facie evidence of the strongest character that the measure which he now suggests for the amelioration of the condition of our farmers is not the offspring of some visionary dreamer, but the result of close thought and careful deliberation on the part of a thoroughly practical man. As was further to be ex-

pected, the proposed measure is far-reaching and philanthropic in its nature, all of Senator Stanford's efforts being now directed to the realization of that which should be the aim of our national legislators—the greatest good to the greatest number.

It is from our farms that the means to sustain the life of all of the commercial and industrial populations of our towns and cities spring. The farmer is the last link in the great chain of society which connects man with mother earth. It is not only just, therefore, but it is politic as well, to make it as easy as possible to the farmer to do the work of production; and it is, as Senator Stanford means to point out, the reverse of fair that he should be, as he too often is, trammled and hampered by the inability to obtain, upon reasonable terms, a sufficiency of money to enable him to develop the full resources of the land on which he works. Everyone can appreciate the disadvantages under which a farmer works, if his land is mortgaged at a ruinous rate of interest, which precludes him from making anything but a bare living from his crops, acts as a brake upon every progressive idea, and makes his whole existence one continual struggle to keep out of bankruptcy. It is the knowledge of how this condition of things works in the case of his neighbor that keeps many a farmer from borrowing the money he would like to be able to handle, and which, could he but risk the handling of it, would be made the means of making countless improvements upon his farm, and promoting the unrestricted development of all the resources of his land. This is the simple state of the case upon tens of thousands of our farms to day—farms which are arrested in their natural development through lack of capital wherewith to bring out their natural capacities, and it is the alleviation of this condition by a simple and effective means that Senator Stanford's scheme contemplates.

Briefly stated, the senator's proposition is that the government shall assume the position of banker to our farming industry, and advance loans upon the security of the land owned by the borrowing farmers, the only but most vital difference being that the government shall charge a very low rate of interest—1 to 2 per cent.—just enough, in short to cover the working expenses of the department, and give the government a fair usufruct for the use

of its credit.

The principal objectors to the measure base their objections, first, on the abuses to which such a financial method would be liable from large speculators who would borrow to the permissible limit, not for the purpose of improving their holdings, but in order to secure other benefits from the loans; and, secondly, that it would increase enormously the national debt, and incidentally tax the general public for the special benefit of one class, that is to say the farmers. The first of these objections may be readily met by the argument that no sane man would acquire land with the mere object of mortgaging it for only the small portion of its value which Senator Stanford's measure specially provides for; the second, that it should not be taken for granted that every one of our 6,000,000 farmers would take advantage of the opportunity to borrow, simply for the mere sake of borrowing, but that they would use the privilege extended to them as self-respecting American citizens, remembering that, until their mortgages were cleared, they would hold the position of debtors to the American nation, and remain under an obligation to their fellow-citizens until such debt was paid.

It should be remembered, however, that Senator Stanford has only outlined the salient features of what may yet be destined to be one of the grandest economical problems of the age, namely: the right of the possessor or farmer of the soil of any country which supplies its own citizens with food products from that soil, to invoke and receive, if it be necessary, assistance from the government of that country in developing the resources of its soil.

If it be true that the man who makes two blades of wheat grow where only one grew before, is, to that extent, a benefactor of his country, then why should it not be the aim and duty of the government of that country to afford him the means of accomplishing that most desirable result? The human race has never yet been set face to face—at least, within the limits of recorded history—with the vast economic problems which beset it now. Should no cosmic convulsion occur, such as it is the belief of many profound investigators and thinkers have occurred periodically for time that is practically immemorial, the population of this planet will have increased during the next few hundred years in such startling ratio as will dwarf even the theories of Malthus into insignificance. It must then become, sooner or later, a necessity that the utmost conservation be applied to the soil from which spring the necessities of life. The fact that there is no pressing danger of such an emergency at present should be no reason for treating Senator Stanford's proposition with the lofty disregard with which it is viewed in certain quarters. There are and will be

in the future, as there always have been in the past, men gifted with a power of prescience beyond their fellows, in political economy as well as in the industries, sciences and arts. To this class of men who see ahead of their time there can be no question that Senator Stanford belongs. His breadth of view is far-reaching, his experience in affairs as multiform as it is vast, his philanthropy as practical and generous as it is general. The seed which he has just planted in the minds of the senators of these United States will fructify as the soil of the toiling farmers, whom he would assist, will do under the genial influence of capital derived from the credit of the nation through its government.

This country has led the way in so many practical reforms of government that a novel way of dealing with the question of alleviating the stringency of the money market, and affording relief to struggling farmers, by the method proposed by Senator Stanford, is at least entitled to respectful consideration and a fair trial. The government is amply protected by the provision that a sum, not exceeding one-half, or even one-fourth, of the assessed value of his land, shall be lent to the farmer. There is no risk whatever run upon such security. The machinery necessary to move the official department transacting the business of assessing values and keeping accounts need not necessarily be expensive, as most of the work could be done through state assessors, acting under a central bureau at Washington. It is to be hoped that the finance committee of the senate will report favorably upon the inquiry whether it is within the present powers of the government to make loans under the conditions named; and if it is found that such an act is beyond its power, then let a bill be framed embodying the sense of Senator Stanford's resolution. The passage of such a measure as this would set the coping-stone to the fabric of great and generous acts which it has been the life mission of Senator Stanford to rear, and would endear him still more closely to the masses of the people, whose prosperity and well-being it is his constant aim to promote. Furthermore, the passage of such a measure as this before the next general election would add such impetus to his already strong candidacy for presidential honors, that his name would sweep the country with greater force than any since the days of Washington.

Government Loans on Farm Mortgages.

George A. Bacon, in the Craftsman.

I listened to the late discussion by the Nationalist Club of this city on the proposition of Senator Stanford, "That the senate committee on finance be instructed to

inquire what relief may be furnished by the United States government, and particularly whether loans may not be made by the government upon mortgages deposited with it upon real estate, independent of improvements, at such rate and to such amount only as will make the security to the government perfect, the government to receive some small rate of interest, from 1 to 2 per cent., ample compensation for the use of its credit, and to prevent the undue application for loans beyond the needs of the country. And the government, as further restraint and provision against an overissue (if such a thing be possible upon perfect security where the interest is very slight), shall provide to call in a percentage of its loans, from time to time, upon reasonable notice, as it may deem necessary, at its own discretion, for the welfare of the nation."

The discussion was provocative of much thought. While a great variety of opinions were expressed by those participating, many of the views seemed to be well digested; others seemed to be but crudely formed. True, I am a sympathizer with the resolution, and, while attentively weighing the arguments pro and con, I am forced to confess I could find nothing valid, on the part of the opposition, which was not fully met and satisfactorily answered by those who favored the proposition.

The plan proposed is specially designed to relieve the dire distress of the farmers throughout the country, thereby helping, indirectly at least, the entire mass of the people.

One can readily understand why bankers, brokers, capitalists—money lenders generally—should oppose, by all the means at their command, such a measure of mutual assistance; but that nationalists should violently assail such an effort is "passing strange," and nothing that was said on that occasion could make it appear otherwise.

One of the objections urged against the adoption of this measure was because the proposition was introduced by a millionaire—as though this necessarily vitiated any and all intrinsic merit supposed to exist in the proposition. Clearly, such an objection is unworthy of serious consideration.

It was freely granted that the money put into circulation by this proposed system of loans would at once relieve the necessities of the thousands upon thousands of overburdened farmers of the country, but that it would soon find its way back into the pockets of the money-lords again. Confessing that it would successfully accomplish its greatly-to-be-desired purpose, they protested against it because of the inherency of the financial law that money naturally gravitates to business centers.

The force of such an objection amounts to nothing; and yet this indefensible position was illogically advocated by nationalists who are petitioning the government to pay to railroads, transportation, telegraph, and other kindred companies something like an equitable compensation for their several plants and to run them for the benefit of those who would hereafter use them, forgetting that the money thus paid would go to help swell the coffers of these already plethoric leeches.

Opposition was offered by one because the proposed measure was only palliative, etc., as though any scheme that could possibly pass congress would be anything more than of an amelioratory character—remedial at the best. But because one can't get, through present legislation, only a part of what is desired for the good of the whole, to denounce any and every effort in this direction, is as unwise as it is impracticable. Traditionally and everlastingly it is true, "half a loaf is better than no bread."

The passage of this act would be likely to prove a most demoralizing blow to the present gigantic money monopoly, hasten the discontinuance of the banks, and lead the way to the government furnishing all necessary money to the people.

This act would give not only relief to the suffering farmers, who, according to the last census, comprised over 40 per cent. of those engaged in occupational livings, but it would make itself beneficently felt throughout all industrial channels.

In his remarks on submitting the bill, Senator Stanford said: "A sufficient supply of money means to individuals of capacity a field for the use of their abilities in prosecuting their various callings of life, and will be particularly valuable to associations of individuals by affording them facilities for obtaining capital for the transaction of every kind of business; means universal activity, bringing in its train all the blessings that belong to a constantly employed, industrious, intelligent people; * * * means co-operation of labor to an extent heretofore unknown, and with all its consequent advantages. Its abundant supply and possible activities would be one of the

great means of employing labor and controlling and utilizing forces at man's disposal, and would go far towards aiding his intelligence to realize his highest destiny."

If a moiety of these blessings would result from the passage of such a measure, and this is our conviction, would it not seem desirable to try the experiment?

STANFORD'S FUTURE

Col. Joe Rickey Thinks the Californian May Become President.

His Property Mortgage Plan Makes Him One of the Most Prominent Republicans.

Post, Washington, D. C.

Among the warmest admirers of ex-President Cleveland, and not inconsequentially one of the most energetic boomers of William C. Whitney for the democratic nomination in 1892, is Col. Joseph K. Rickey, of Missouri. He spends most of his time at the capital, where he is considered one of the shrewdest of political prophets. His prognostications of public events are eagerly sought. Being a firm believer in the success of the democrats in the next presidential election, his views as to the greatest danger which confronts his party in 1892 are valuable.

Beyond this, he is the largest stockholder in his county bank, and, as one largely interested in agricultural pursuits, he is concerned about the condition of the farmers of the west and desirous of ameliorating their condition. The evils under which this class is suffering have made him a free trader, but he appears to have found a solace for the existing condition of affairs among his brethren of the west in the bill that Senator Stanford, of California, introduced in the United States senate on March 10, providing for government loans on property at a low rate of interest.

Speaking concerning this measure and its influence upon the people of the west, Col. Rickey said:

"Senator Stanford's bill, if adopted and its propositions put in execution, may enable the farmers

of the western country to tide over their affairs for awhile at least. Agriculturists at the present time are all borrowers, and this measure will enable them to have money loaned them from the surplus in the United States treasury at an expense to the government merely sufficient to cover the expense of the transaction."

"But isn't this suggestion so entirely new as to be almost revolutionary?" I asked Col. Rickey.

"No," he replied. "A similar thing has been done before. The Prussian government when it found its agricultural interests depressed established in its different districts colonial banks and loaned the coin of the realm to its farmers. Why haven't the tillers of the soil the same right to borrow money from the government as have the bondholders? The latter class, for instance, can deposit \$100,000 in government bonds and receive in return \$90,000 in greenbacks. Interest on the bonds deposited as security is regularly paid by the United States treasurer, and the borrower practically has the use of the money for nothing. The only security for these bonds is the faith of the government, and what does that amount to if the agriculturists of the country, its mainstay, are not prosperous? Certainly land is as good security as bonds.

"It may be said in opposition to Senator Stanford's bill that to carry it into effect will necessitate the employment of a new army of federal officials and the consequent increase of political patronage, which would certainly be deplorable. That evil, however, could easily be obviated by making the officials necessary to carrying the new measure into effect elective at the choice of the taxpayers in each county of every state."

"Do you believe that the adoption of such a bill as that of Senator Stanford would call a halt in the ranks of free-traders who hold the political belief which you espouse?"

"Yes, I think it possibly would. This proposition of ex-Governor Stanford has made a great impression upon our people. Nearly all of our western farms are mortgaged, and the agriculturists of that region are paying interest upon those mortgages at the rate of 10 per cent., and even higher. If they can borrow money at a low rate of interest they can pay off these usurious mortgages, and in addition borrow money with which to buy live stock and make land improvement, which they cannot afford to do while paying the present rate of interest upon the mortgages hanging over them.

"Of course, the banks and other money-lenders will oppose the proposition of the senator from California, but in doing so they will stand in their own light, for the reason that if our people can borrow money at this very low rate of interest

they will not keep it constantly employed, but will allow a large portion of it on deposit in the bank, and traders and middlemen will use those institutions as at present. I feel very earnestly upon this subject. This Stanford proposition has aroused my enthusiasm. It proposes the only practical relief which has been suggested to the agricultural interests of the country. Suffering as they are from the beef combine, which fixes the price of their cattle, from the wheat combine—headed by Old Hutch and all the other large grain speculators—which depresses the price of wheat when it is ready for market, and compelled as they are to pay 40 per cent. more for everything they have to buy than do those not engaged in agricultural pursuits, some relief similar to that proposed by Senator Stanford must be given or the greatest wealth-producing portion of the country will soon be bankrupt."

"But should this bill be passed," I suggested, "every farmer in the country will immediately demand money, and the surplus in the treasury will not be able to stand the strain."

"The present surplus," continued Col. Rickey, "is about \$100,000,000, and that sum will go a great way towards satisfying the present pressing demands of the agricultural interests, and, in addition to that, why would it not be fair for the agricultural classes to send men to congress who would impose a tax upon the people who have grown rich by unjustly taxing those who till the soil? I mean that a heavy tax should be imposed upon income. Take, for instance, men like the Vanderbilts, the Goulds, the Astors, the Standard Oil combination, the Steel Trust, and all fortunes of over \$5,000,000, I would tax these so that they would contribute their proper and just share towards supporting the government, which they do not now."

"Would that not create great opposition on the part of the money interests?"

"Certainly, but under our form of government those of that class have comparatively little representation in public affairs, and the power to do what I suggest is undoubtedly with the people. The idea is not a new one. The plan has been adopted in other countries. Wise and thinking men are now devising means to prevent the great aggregation of capital in the hands of the few.

"Mr. Stanford himself is one of the wealthiest men in this country, his fortune being estimated at \$50,000,000, but he has looked beyond the narrow windows of his treasure vaults and earnestly sympathizes with the horny-fisted fellow who trudges behind the plow, and the measure which he has just presented in congress is certain to make him immensely popular with the farmers of this country. Besides that he has done more than any other wealthy man in these United States to advance the interests of the agricultural class. He has established the largest breeding farm in the world, he selected the choicest strains of all

kinds of animals which are valuable to the farmer, paying any price asked him, and has given the benefit of their product to all stock raisers at a fair price. Besides this, he has established an agricultural college and endowed it in such a manner that when his idea is carried to completion it will not only be probably the greatest university in the world, but it will be entirely free to all who are desirous of participating in its benefits. This is certainly true beneficence. True, Senator Stanford is president of the Central Pacific Railroad, and this fact may suggest a prejudice against him on the part of the laboring people. But it can never be forgotten that although he possesses a great fortune, representative of the progress of his country and the prosperity thereof, he has virtually dedicated it to the benefit of the agricultural classes.

"If the republican party is as smart as it is credited with being, and which it has proven itself to be in the past, it seems to me that, in view of all these conditions, the nomination of Senator Stanford for the presidency in 1892 is inevitable. It is true that this suggestion has been made before, and that it has been treated slightly by the metropolitan journals, but that is because they do not come in contact with the agriculturists of this country, and they are not aware of the depression which exists among those people. Besides, the influences which surround them are conservative, and the crusade which Mr. Stanford has begun is a new departure."

"Well, what would be the attitude of the present administration towards Senator Stanford's candidacy?" I asked.

"I have no means of knowing that officially, but I have excellent reasons to believe that if Mr. Harrison finds that he cannot be renominated, which at present looks almost certain, he will far prefer Stanford to Alger, or any other man who has been prominently named as a possible republican candidate in 1892. Besides, the nomination of Stanford would eliminate all possible doubts as to the political attitude of the Pacific slope. Those who say of him that he is simply the president of a great railroad and a man of great fortune, are not acquainted with his ability. He is a trained thinker, with the learning of a lawyer and the equipment of one who has been engaged extensively in mercantile pursuits. He is able and honest, and as a democrat I see more to fear for democratic success in 1892 in his candidacy than that of any other man in the republican party. My expressions upon this subject may cause some wonder, but, while I am a democrat, I am more of a farmer, and I cannot refrain from taking off my hat and voicing my admiration of the one man in the United States senate who has had the courage to introduce a bill intended to benefit the most ill-used and the most valuable class of people which this country holds within its borders."

LOUIS H. MEGARGE.

Senator Stanford has offered a resolution in the senate calling for the preparation of a bill to loan to land-holders who desire it, paper of the government at $1\frac{1}{2}$ per cent. interest, to circulate as money and be a legal tender everywhere.

He made a speech, or sort of a green-back oration, in favor of more money, money for the people, plenty of money, as the one thing needful to make us a rich and prosperous people.

Statesmen smiled. Financial men shrugged their shoulders. Business men were struck dumb. It was the wildest madness. It was sheer lunacy. It would involve an inflation, whose results undoubtedly would not be toned down in twenty years. It would be a sop for shrewd speculators, and famine and death to thousands of our people—honest people.

Did Stanford mean it? Well yes—to talk about till the railroad debt bill was passed, 2 per cent. for seventy five years. It was to make that bill look reasonable. It was to cover up that steal. It was to get friends for that project, only that and nothing more. How could the landowners refuse him money at 2 per cent. when he offered it to them at $1\frac{1}{2}$? In this view Mr. Stanford is consistent with himself—a delusive fraud from beginning to end.

Were the railroad bill passed, would Mr. Stanford vote for this bill? We do not believe in it? Our nationalists know Mr. Stanford and they do not believe it. They demand in public meeting assembled that the two bills stand or fall together. They thus set a trap for Stanford and he is in the trap.

He is false as hell, and this proposition shows it. He knows it would be wreck, ruin, speculation, extravagance, collapse, and general agony for all. Our land is worth at least \$10,000,000,000. Every owner would draw paper, all he could, at 2 per cent. to loan out at 3, 4, 5. Ten thousand wild-cat schemes would jump in to being. Legitimate productive business would be abandoned for grand enterprise.

And then the collapse. We should export nothing, our prices would be so high. We should import with such profusion as to pile up debts on all sides. And the creditors would not take this paper. Then we should discover that money especially paper money, is not bread, or milk, or meat for babes; that paper money does not make wealth, and with all our pockets full of paper, we should be slaves.

No such wild project ever did do good. It creates high hopes. It inflates wages

constitutional duty is to provide a "money system that will encourage and protect industry and give it security," thus fulfilling their obligations to those who placed them there. To fail to consider them and provide a proper money system for the country is an evidence that other forces are at work than honest lines of patriotism, which perils the perpetuity of our republican institutions.

B. G. CHACE,
Providence, R. I.

The One Thing Most Needful.

Editor of THE NATIONAL VIEW.

In your paper bearing date March 22, I find Gen. Clingman's views presented to the senate and house of representatives and also to each reader of your daring paper. The reason I have for saying so is you dare to print your own opinion and the speeches of our best and most daring statesmen on the topics of the day which seems to bring to my understanding the one thing most needful for the safety of this great republic, more money without exception or depreciation.

Now if the general hath fully set forth the silver demonetization act and the passage of the same with the full approval of President Grant the 12th day of February, 1873, and each in his turn are pleading ignorance to the passage of such a law and the same being contrawise to the constitution of this, our government, and contrawise to legalized laws of all nations of the earth and yet they persist in that law to-day against the good and welfare of our commonwealth, how must they be looked upon hereafter by their fellow man whom they have wronged for years past and seem to be willing for years to come for the benefit of a foreign nation? Hereafter those very men who helped to pass the so-called demonetization act of the silver of this nation and thereby having enslaved more than \$45,000,000 of its inhabitants, saying the least of it, and working bees of the hive whilst the drones are consuming the production of those slaves or working bees, yet when we see and understand the cause of such laws that bringeth sorrows to our hearts and is robbing us of our homes, destroying the happiness of the producing class of the people and we are led to demand equitable laws in behalf of American liberty as handed to our forefathers through the revolutionary war and should to-day be living monuments that should be handed from one generation to

another without spot or blemish so long as the world shall stand and whenever a wrong or unjust law shall be passed by our congress, such wrong should be righted at once for the best good of American liberty and my opinion of all such laws as the demonetization law, passed February 12, 1873, is a fraudulent law and should be so looked upon by all the citizens of this nation and those men that helped to fix and pass such a law and are not willing to right such a wrong at the proper time, after a fair presentation, and to them the same is made known that such a law as I have spoken of is an illegitimate or an oppressive law and is of such a nature as to retard the best interest of our government and become beneficial to foreign nations, then such law makers should be looked upon as traitors to those who once placed in them confidence and helped to place them in a place of trust to make and enact laws for the good of the many and not the few.

Now in conclusion let me say, give us back our silver without limit, make it on a par with gold, let there be no ups nor downs but one stable unit at all times and under all circumstances, for what is good for the people of the nation is good for the millionaire. Let the people's cry be heard and let the people rule, for we have become tired of oppression and shyllock rule.

JAS. I. SCHERMERHORN.

Lake George, Warren Co., N. Y., March 28, 1890.

To Members of Congress.

Editor of THE NATIONAL VIEW.

There is no subject engaging the public thought as is that of the national finances, and members of congress are well aware of it and anxious to come to the people's relief, while others treat the subject in connection with the mass of voters with sullen indifference, as if the topic were too high for them to interfere with.

If the present congress will pass a resolution requiring the entire body of the people, at the general election, in November next, to cast a separate ballot indicating the popular preference of the many proposed monetary systems, it will be the highest instruction they have given for years, and the most important they have ever given to their representatives. But keep the subject out of party politics. Let it be the care of congress to do so quietly and without any formality, and as an indication that they entertain a proper respect for the opinions of the people. They might suggest that those among the people who usually take a prominent part in

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ernment, to a farmer on his note, and he fails to pay it, don't they take his farm, if necessary?

In my state—New Jersey—for many years past, the state has loaned its school money to farmers, with the farms as security, and, with entire success and satisfaction.

In England, a number of years ago, the the government loaned large sums of money on longtime, and at very low rates of interest, to the farmers for the purpose of tile draining their lands.

How many hundreds of millions of dollars has our government loaned to another class of the people to help them build railroads that are now too often used to oppress the farmer?

It simply makes a difference who is doing it.

Senator Stanford's step was in the right direction.

The world moves, and the farmers are awakening and commencing to move with it. New ideas are coming to the front.

"All citizens shall be equal before the law," says our national constitution, and that means finance laws, tariff laws, and all laws. Let us think on these things.

The National Grange, at its annual session in November last, at Sacramento, Cal., by a vote of more than three to one, adopted the following:

Resolved, That we * * * also favor the maintenance in circulation of the paper money of the United States, independent of the national banks, in sufficient volume to prevent any future contraction, and consequent embarrassment to our prosperity.

And the National Grange has always declared itself fairly on the side of the great mass of our people on these important questions. This the farmers are coming to understand more and more with each passing year; and so this great national organization of farmers, now nearly twenty-four years old grows and prospers at this time better than ever before in its history. Farmers, unite with the nearest grange, or get one in your neighborhood as soon as possible. Take the wife and boys and girls, above 14 years of age, with you, and let us all work together on these matters that will relieve us of the unfair burdens we are now bearing. The grange offers to help you. We must unite or go under.

MORTIMER WHITEHEAD.

LELAND STANFORD

Charged With Borrowing His Scheme For Loaning Money to Farmers.

The Charge Is Unjust, Ungenerous and Made Without Due Consideration or Knowledge.

Argonaut, San Francisco, Cal.

The editor of the Oregonian, in an article printed in that paper one day last week, affected to believe that Senator Stanford had borrowed "his scheme for setting up a real estate loan agency in the treasury department and lending the money of taxpayers to the farmers of the country at a nominal interest" from the editor of the Argonaut. He will correct this statement when he understands the fact that Gov. Stanford is alone responsible for a financial measure so safe and so practicable as the one he has had the courage to introduce into the senate of the United States. The writer wishes that in conscience he could claim the authorship of a financial reform so healthful as that which recognizes a duty in congress to take from the creditor class the benefits of a financial system and transfer them over to the debtor class; to take from the idle, speculative adventurers of the gambling class the privilege of national banking, and confer it upon the industrious and toiling class, who till our farms and work at our productive industries. Why the government of the United States should sell to a wealthy syndicate a \$100,000 bond bearing 4 per cent. interest per annum and authorize it to issue 90 per cent. of currency—which the government guarantees at 8 per cent. per annum, and thus chinch the farmer, who pays nearly all the taxes—is a problem which is inexplicable upon any other hypothesis than that the financial system is so complicated and mysterious a scheme that only the money-lender and usurer can understand or explain it.

If a government debt printed upon paper is a more tangible or valuable security for the issue of a paper currency

1 26
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52
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Continued.

than farming lands with their improvements, or brick buildings, upon which municipal governments depend for nearly all their taxable incomes and the larger part of their annual revenues, we are unable to understand the reason why.

If money stamped upon a metallic disk of gold or silver is of any more substantial value than the same obligation stamped upon leather or printed upon paper which represents all the taxable wealth of the country which guarantees its redemption in lawful money, we cannot understand that. That gold and silver have an intrinsic value we fully appreciate, but when the money value of metals is contrasted with the vast volume of credits which attend the transactions of 60,000,000 of people, the proposition of real value is altogether too insignificant to cut any figure in the great clearing-house of the nation's commercial transactions.

Instead of lending to rich men and wealthy usurers, that they may loan the nation's credit to the class of industrious laborers who till the farms they occupy, and to mechanics who do the work of the nation, we would lend them their own money from the national treasury, at nominal interest, upon their own landed property, and pledge national credit for the redemption of all money loaned. When this country shall have become too poor to pay its obligations, a financial chaos cannot add any serious discomfort to the situation.

If ruin shall overcome the tax-paying majority, it will not be a serious calamity if the tax-eating minority shall have become involved in the same disaster. When the United States shall have met with such a calamity, it will be time to inaugurate the jubilee of universal distribution of property, and the liquidation of all obligations for the payment of debts. The government has a wealth which justifies unlimited credit, and if it will adopt the idea of Senator Stanford when its national bonds are called in, it will find, as does France, that its own people may become its creditors to any extent which a national crisis may create for it a borrowing necessity.

Gov. Stanford is correct when he says that money borrowed at a minimum

rate of interest and expended upon the land would become an active force, increasing the business activity of the community in which the land is located, and increasing the security by improving the land upon which the money is loaned. If the nationalization of landed states should result from the advancing of money upon landed property, it may be a question whether the realization of the doctrines of Bellamy may or may not be disastrous to the welfare of the community. The financial question introduced by Senator Stanford has become the subject of serious consideration, and its investigation will not be silenced by the criticisms of the class which lends money at usurious rates or sneers at the motives of the senator who has had the courage to propose the new plan of national currency.

Gov. Stanford's address in the senate of the United States is pregnant with enough ideas to justify the writing of a score of editorials, and we think it within the capacity of a majority of readers of the Argonaut to give them intelligent consideration. We think the majority of our readers are generous enough to withhold any unjust criticism of his motives, and to give to his financial views such weight as they are entitled to upon their merits. Let it be remembered that the whole financial system, not only of our government, but of the civilized world, has fallen into the hands of a few; that it has been administered in the interest of a class. Bankers and money-lenders have come to be uniformly considered as alone having the privilege to regulate the financial system, and are the only people to be consulted on questions of currency.

Wall street and the great corporations, millionaires and wealthy syndicates seem to have monopolized all questions of finance. The agricultural, manufacturing and mechanical laborers who must do all the work of the country and supply all the productions which compose the wealth of the nation, are entirely ignored when the legislative councils, which they elect, come to consider a financial question. The class which rents money for hire to those who endeavor to use it profitably and who risk it upon the chance of harvests or who invest it in aid of their labor and skill, are guaranteed by the government against loss, while the toiling borrower must take all the risk of

bad seasons, bad markets and business misadventures.

Gov. Stanford is making an honest effort to reform this glaring wrong, and to introduce a financial system which shall do justice to the industrious and venture-some working borrower, without doing any injustice to lenders. The scheme is entitled to impartial and honest consideration. It will, we think, be well for the creditor class to consider it fairly, and not leave the solution to the great majority who have the desire to borrow rather than the ability to lend. The Argonaut will give this question further consideration.

United States Loans to Farmers.

Los Angeles Tribune.

Senator Stanford's recent proposal made in the United States senate, that the government loan money upon farms at from 1 to 2 per cent. interest, has raised a whirlwind of interest and excitement and fear and hope.

The bankers have not struck such a cloud since Peter Cooper's voice was silenced by death. Though the cloud is a small one it looks extremely portentous to usurers especially because of the enthusiastic indorsement it receives from toilers all over the broad republic. Not a paper that wants justice, prosperity and universal happiness, but hails the proposition as a rainbow of happy promise. Not an organ of monopoly that does not see in this the hand writing on the wall. We congratulate the country and the world that the people are intelligent enough now to appreciate the proposition which has long been a plank in greenback platforms. All can see that it would free a race from slavery, that it would heal 10,000 abuses, and open an era of prosperity undreamed of in the happiest days of the republic.

The press dispatches which went out of Washington after Senator Stanford's modest proposition say:

Senator Stanford to-day received a great many telegrams from bankers and others, criticising the resolution he introduced relative to government loans on real estate at a nominal rate of interest. These telegrams are unanimous in declaring that if the scheme proposed should become a law it will virtually destroy the banking business of the country.

Of course the banks are unanimous in opinion, and that is extremely gratifying to the people whose bread is taken out of their mouths to pay these institutions 10 per cent. for the use of our own money. Yes, it would end the profits of money loaning, it would close out the work of sheriffs

too, and courts of injustice. Bankrupt judges would have little to do. All the vast army that is now occupied adjusting thumb screws, and patent plasters for sweating farmers and other producers would find their business gone. Oh, happy day, when the United States furnishes producers money as cheap as it now furnishes bankers. That day will ever after be celebrated as the second Fourth of July, and a thousand times more important day. Hail, oh new civilization, when usurers can no longer count their white and black slaves by millions.

The New York Sun vents its rage by dubbing Senator Stanford a socialist, calls his resolution "buncombe" and says:

Senator Stanford, of California, is hardly the man from whom an outburst of socialism and sentimental political economy would be expected, but the resolution offered by him on Monday is such an outburst.

It is in other words pure statesmanship to loan money to bankers at 1 per cent., but horror of horrors, what "buncombe" and "socialism" to loan it to farmers.

England loans Irish farmers \$50,000,000 at 3½ per cent. interest. The New York Sun must regard the English as very wicked socialists. The funds should be loaned to English lords at 1 per cent., and reloaned to the Irish farmers at 10 per cent, that would be the American plan, and would of course avoid all danger of socialism.

One of the brightest signs of the times is the welcome which the people extend to Senator Stanford's resolutions. Some papers are so enthusiastic as to nominate Mr. Stanford for president. A club of reformers has been organized in California called the Stanford Club in honor of his new departure. Let us wait and see if he follows up his good work, or is frightened off by banks.

OUT IN CALIFORNIA

The People Consider the Money Proposition of Senator Stanford.

After a Speech Full of Telling Points, a Series of Resolutions Were Unanimously Adopted.

Col. H. S. Fitch, of Oakland, Cal., delivered a speech at the meeting called at Metropolitan Temple on the 20th inst., to consider the money proposition of Senator Stanford. After his address, which

was full of telling points, he offered the following series of resolutions, which were unanimously adopted:

Resolved, That the free coinage of silver, and other measures of the government, proposing to increase the volume of our monetary supply, is of the greatest importance to the people.

Resolved, That the rate of interest charged for the use of money, in all countries, is evidently the measure of the supply of it.

Resolved, That it is preposterous to assume that the laboring arms of the country, and all of its great industries, can be properly and suitably encouraged, sustained and protected against the invasions of foreign trade and competition, without the supply of money at as low rate of interest for its use as foreign producers are required to pay.

Resolved, That there is no just reason why the people who support the government should be made to pay a higher rate of interest for money used by them than the government of the people is paying.

Resolved, That a governmental increase of the volume of money in such sum that not more than 3 per cent. could be charged for its use, would save a million farms to the farmers of our country, which must soon pass into the possession of the money-lenders, most of whom are foreigners.

Resolved, That it is unwise and impolitic to permit our money supply to be so restricted that foreigners reap double rates by loaning money, and double profits by reducing the price of commodities.

That there is no valid reason why the people of the United States should be required to pay more for the use of money than the people of the other nations have to pay.

Resolved, That the political and financial economy which should guide this government should never more be restrained through the Hebraic brains of Wall street, nor longer to serve the interests of the usurious spiders of the world.

That the government possesses the right and the power to coin into money all of the gold and silver which may be delivered at its mints, and supplement the volume by the issue of paper money to a limit safe to government and people.

That the government has too long neglected its great duty to its own.

That it is time for statesmen to consider and decide upon the policy of protection of American interests by more solid methods than the past has shown.

Resolved, That there cannot be an inflation of money, nor can there be too much money in circulation, nor any strain whatever put upon the authority, nor the credit of the government, so long at least as the government and people can place money at use for 2 per cent. per annum.

That a low rate of interest (say 2 or 3 per cent.) would solve the most pressing economic questions of the day, and assure the power, unity and supremacy of this republic, and that Senator Stanford's propositions are wise, timely and patriotic, and should be carefully considered by the people.

The farmers and laborers of this country are in very great distress. They must have relief at once or this republic is in danger. The blind greed of the money lenders which shows as much fool as knave, have by their folly so cornered the money—the life blood of the nation—that all industries are in a bad state. When a member of your family is taken sick with a low fever, you have time to send over the hills to neighbor Jones' to learn the remedies he used successfully when one of his family had the same fever, but if the sick one has the cholera or the yellow fever, an immediate relief is demanded, you want the best medical skill and you want it at once. There are two methods proposed in congress to secure this relief to the body politic. One is to erect warehouses and to receive produce as collaterals for loans. This, under the control of an unfriendly administration, might be delayed for years in the construction of the warehouses. The other is that of Senator Stanford for the government to loan to the owners of real estate money at once. The latter undoubtedly is the most feasible plan. Hence the farmers and workmen of the country should urge its immediate passage.

STANFORD'S PLAN.

BY STEPHEN MAYBEL.

We are a people blest on every hand,
By nature's bounty and resources grand;
Science, art, industry yield their precious store,
Till there's enough for all, aye, even more.
Yet from this sea of plenty comes a cry,
Of hard times, business failures, and our sky,
So richly colored, echoes dread alarms.
O'er cities, hamlets, factories, and farms;
Why should this be? Aye, why in plenty's haunt,
Should man midst plenty feel the pangs of want?
Is there not something wrong, something between,
Some screw loose—perhaps out of the machine?
If this be so no more the fault prolong,
Let us like men proceed to right the wrong.
Three thousand bankers we attack not them,
The system's all we deal with or condemn,
Receive 300,000,000 as a loan,
From us the people as the proofs have shown;
At trifling interest, one-half one per cent,
And loan us back the same at ten per cent.;
To loan millions, then borrow them again,
Is rather stupid action to maintain;
But to loan at one-half and borrow back at ten,
Is assinine for government or men;
Yet this do we with national banking clan,
And this to stop is Leland Stanford's plan.
If we can loan 300,000,000 dollars,
To a few silk hatted gentlemen and scholars;
Why can't we loan to agricultural men,
And favor plow as now we favor pen?
Are bankers' bonds better security,
Than farmers' lands for government money?
If we loan millions on the bankers' bonds,
We should loan millions on the farmers' lands;
To extend privilege—to remove a ban,
To equalize—is Leland Stanford's plan.

Apr. 26, 1890

THE STANFORD BILL

Similar to Franklin's Loan of \$500 to
a Worthy Mechanic.

Stanford's Bill Would Work a Revolution
In the Uses of Money
In the Whole Country.

Argonaut, San Francisco, Cal.

The pretense and announcement of some of the large dailies is to the effect that they will admit to their columns respectful communications which treat of public topics in the interest of the people. The pretense is a sham; the announcement is insincere. They will admit a communication which is to the support of their own views upon public matters, but they will refuse and exclude whatever is adverse thereto. An instance in point is the conduct of these papers in reference to the bill which Senator Stanford has introduced in congress to provide that the government shall make loans to relieve and assist the industrial pursuits of the whole country—the producers, manufacturers, and laborers, upon their lands, and plants, and other sound securities. It is to the farmers and those engaged in agriculture, with lands in their possession, that the benefits to flow from the measure would redound. But none of the industries of the country are excluded from the operation of the bill, provided they have tangible property upon which to obtain the loan. The material points of the bill are the easement it will afford all within its purview, in the reduced rate of interest upon the loan, the more equitable valuation of their property in the making of the mortgage, and the security it assures against foreclosure and forced sale at sacrifice—contingents which exist in the case of every mortgage subject to the present custom with banks and capitalists, and all who make loans upon real property or upon chattels. The bill is somewhat similar to the plan upon which Franklin loaned to the worthy young mechanic the

sum of \$500 to enable him to set up in business on his own account. The loan was made upon the condition stipulated by Franklin. There should be no foreclosure or distraint. The borrower was to enjoy the benefit of it until he should be able to discharge the indebtedness. But it was to Franklin that he should make return of the \$500. It was then to be turned over to some worthy young man in similar condition to the borrower at the time of the loan, under similar conditions, and by him to be likewise used and appropriated. The loan thus dispensed became known as the Franklin fund, and it has been so carefully applied and managed, with such integrity of purpose, that it has now been increased to a large sum, which is committed to the custody and judgment of trustworthy trustees who are enjoined to put it to the use originally intended by the great patriot and philosopher. There has been no instance of default in the many uses of the loan, it has invariably been intrusted in beneficial use to young men of integrity and worth, and in every instance it has seemed to imbue its beneficiaries with the spirit of the true benevolence of its great founder, to root in their natures the finer qualities which the trust reposed in them of honor and of that order of philanthropy which extends to the meritorious a helping hand in time of need.

Benjamin Franklin's plan of loan was an individual matter—his own thought, put in practice by himself, and necessarily limited in its measure of good to the deserving of his fellow-citizens. The plan of Senator Stanford is governmental and illimitable in its domain of benefices, enduring in its operations. It contemplates relief to all of the industrial classes; it makes provision for men of worth with enterprise and energy in the better development of the country who lack the means to pursue their vocation; it affords timely assistance to those distressed from failure of crops or unforeseen disaster to enable them to bridge over the reverse and again secure firm and safe foothold on the high road to competency and contentment. As Franklin's loan imbued the beneficiaries with gratitude and love for the mindful sage, the operation of the Stanford plan would inevitably inspire the great mass of the industrial classes

with a deeper sense or devotion to the republic and more ardent belief in the excellence of the government. They would more cheerfully bear the burdens as they enjoyed the blessings of this government, and hold in loftier pride and in ineradicable spirit maintain the incomparable distinction of American citizenship.

The Stanford bill will work a revolution in the uses of money in the whole country, but it will be a revolution for the greater good of the greater number—for all the people, in fact. It will largely diminish the rates of interest on loans of necessity upon lands and other property. It will affect the accumulation of money from the earnings of labor to the swelling coffers of the rich, and better equalize conditions and persons, to the benefit of those of small means and meritorious enterprise. It will save the lands of the farmer from distraint, and keep from distress of sacrifice the property of the meritorious who toil and struggle in the battle of life.

Notwithstanding all this to be set forth in approval of the Stanford bill to the benefit of the people, the party press opposed to the party which Senator Stanford represents in congress, and the newspapers inimical to the senator himself, refuse to give fair consideration to the bill, or misrepresent it and assail it with unfair criticism and unjustifiable arguments. There is no politics in the bill as it reads or can be interpreted. There is no party flavor or essence to it, except so far as the name and person of its author can be dragged in to create prejudice against the project. The bill itself is for the common benefit of the larger proportion of the people. It might have emanated from Jefferson or Jackson, from Franklin, or from Henry Clay, or any other of the great statesmen recognized as advocates and disposed to the amelioration and betterment of the condition of the industrial classes. It is as free from the quality or suspicion of party politics as is the Stanford Jr. University at Palo Alto, which is purely educational. These newspapers profess to deal with subjects in accordance with their merits, as they affect the people. None of them have yet presented logical or plausible argument for their adverse criticism or antagonism to the bill. Unless they are able to do this, their treatment of it must be considered unfair and unjust, and their own pretense of devotion to popular interests will be judged accordingly.

Among the avowed party newspapers, in San Francisco and in other parts of the state, are some, however, which treat the Stanford bill in a spirit of fairness and candor. Several of the democratic newspapers have given it impartial consideration and set forth its just merits, in its relation to farmers and owners of property and others. That it is not intended to the advantage of speculators, appears upon the face of the bill. It affects all alike, without distinction of party. It is free from latent design, subterfuge, or dis-

crimination. It means that which it recites, and is clear and comprehensive in language and purpose. The eviction a few days ago of 200 farmers in New Jersey, forced from their homes and farms by decree of foreclosure and sale, emphasizes the importance of the bill and the necessity for it. The many hundreds of millions of dollars which represent the mortgage loans on tens of thousands of farms all over the country, the hundreds of thousands of houses, the millions of acres of land, and the innumerable chattel-mortgages in every state and city and township, are so many invincible arguments to cause the mass of the people to advocate the passage of the Stanford bill.

MERCATUS.

San Francisco, April 8, 1890.

THE PARTY BOSSES

Are Determined That There Shall Be
No Argument On Paper Money.

But They Must Do Something,
Promise Something, Or Their
Cake Is Dough For '92.

Editor of THE NATIONAL VIEW.

I see there is quite a breeze being raised by the papers about Senators Stanford and Cullom's plan to loan the farmers money at low interest, some reform papers, even, are in favor of it, they just shout: "Going to give Stanford the presidency." I guess they better put Cullom in for vice.

Now, if THE VIEW will allow space, I will tell the readers a few humble thoughts that I have in the matter. In the first place I don't think it will ever be done—not while there is 150 national bankers in congress. It's only to make a little issue to counteract the influence of the western free traders. The republican bosses have got sense enough to see that their cake is dough in '92 if something is not promised, at least. Yes, this fall they will begin to go where the "woodbine twineth" if something to bring relief is not done by this congress.

Then I think there is another thing intended. The republican money-lending bosses want to spoil the greenback idea, and the democrats will join them in it. The bosses of both old parties are determined that there shall be no issue on government paper money, if they can

help it. This money that is to be loaned to farmers appears to be the surplus—the robber tariff—tax one part of the people to raise money to lend to the other. Of course it is robbery while in connection with free immigration. I will say here that I am in favor of a high protective tariff but want it to be put into the state funds for state and local expenses then it will protect all equally. If England will send her manufactured goods here let her pay our state expenses.

I claim that a reduction of the tariff will not make imported goods any cheaper. England will get that much more for her goods, unless she takes a notion to close our factories; then she would lower her prices, and when she supplied our market she would raise her prices. If we would adopt free trade, and could get our manufactured goods, the amount of the tariff cheaper, \$300,000,000, the final result would be that our 20,000,000 wage-earners—men and women—in the United States, that can now earn, on an average, \$1 per day in factories and elsewhere, which is \$300 per year for each one, or for all \$6,000,000,000.

I say that by free trade our wages, instead of being \$6,000,000,000, would shortly be only \$2,400,000,000, or 40 cents per day instead of \$1—the difference between American and English wages. I defy the Cobden-Bright Club, with the English parliament thrown in, to disprove or controvert what I say. But I intended to say more about the cheap money for farmers. Let's see. The surplus is about \$100,000,000. That will pay the interest for three months on the farmers' mortgages. Ye gods! Farmers, why don't you throw up your hats? If the government will loan the farmers \$100,000,000 every three months it will pay the interest on their mortgages. Then if the government will lend them \$100,000,000 per year till 1930—for forty years—I think the farmers can pay off their mortgages. Then I should think that \$100,000,000 per year for thirty years more, or till 1960, would pay the farmers' other debts and set them free.

If a bondholders' government would permanently benefit the masses of these

depleted, dependant, American provinces of old-party perversity, they should come to business at once. The financial policy of the republican robber party, aided and abetted by the English dude democracy and hirelings of the money power, have been to inaugurate a robber system. First, to stab the greenback with the exception clause to rob the soldiers; then the bond-bank act, the contraction act, the coin-resumption act, changing the manner of paying the bonds, and all this and more has been done, by which the soldiers were robbed and paid in 40-cent dollars, while they were saying the government's life and working on a fixed salary, and were cheated out of \$600,000,000, including interest, would now be \$1,200,000,000. Then the arrears act which gave two-fifths of the soldiers that were entitled to pensions a chance to pay from discharge, which law ran out by limitation in 1880, so that the other three fifths of soldiers could only get ratings from date of application. Of course the soldiers have always been reluctant to apply and by limitation of the arrears act a bondholders' government would take advantage of their reluctance. Now, during all this time, the bondholders who bought their bonds with cheap money, worth 40 cents to the dollar, and the bondholders who furnished gold and silver—not to carry on the war, but to carry out the robber resumption act—have received about \$3,600,000,000 as principle and interest on their bonds, besides about \$40,000,000 in premiums while the soldiers have received in pensions about \$900,000,000 which is \$300,000,000 less than they should have received as deficient pay while in the field, including interest. Now according to this, they have, in reality, received no pensions, although they have been promised by the old robber parties, during every campaign, that they should be cared for. Besides all this the financial policy of the government has been to depreciated the value of the farmers' lands, to depreciate the value of the farmers' products, to depreciate the value of labor, but not to depreciate the value of manufactured products below the cost of production, and to steadily enhance the value of bonds and of money. Now, all of this has culminated in a mortgage indebtedness in the United States of more than \$4,000,000,000 that stand against the farmers' lands.

Now, if a bondholders' government and English system of money would do something good for the people, the government should assume control of the land mortgages and extend the loan to the farmers at not more than 3 per cent. per annum, and let it run for an indefinite time. Then the government should assume control of all the public transportation lines and run them at cost only. Then the law should be so amended as to apply the tariff to

the states for state and local expenses. The government should create legal tender paper money for general government expenses. All state and local tax should be abolished—only a graduate land tax on all speculative land holdings, and a graduate income tax on net incomes that amount to more than \$1000 per year, which should be applied for local expenses only. Then the government should restrict and tax foreign immigration; it would certainly be constitutional as well as to tax imported goods. Then the patent laws should be reformed so that the government would pay inventors, and then let the invention go free to the public, so that labor-saving machinery be not under monopoly. Then the government should pay the soldiers their deficiency while in the field in legal tender greenback money, without tax or metal redemption. Then the arrearage law should be renewed as it was up to 1880, so that all soldiers that have gotten pensions since '80, and all who will yet be allowed pensions, will receive rating from date of discharge. Then I believe that gold and silver should be demonetized.

Let the people have an American system of money, freight rates, wages and manufactured goods and home market, and stimulate the production of such as we import—but could produce—instead of buying abroad. We need that now more than we do to encourage farming. If these things were brought about it would cause the greatest boom that this country ever saw. But while you monkey with the old parties and expect relief, you will always get left. You may petition a congress of bondholders, national bankers and railroad lawyers, and vote the old party ticket until you are blind; it will all do no good—never! As well expect an iceberg to be thrown out of Mt. Vesuvius as to expect representatives of the money power to make laws that will promote general welfare.

Suppose that congress passes Senator Stanford's cheap interest bill, and the farmers have the loan of \$100,000,000 or \$500,000,000 (but none will be loaned by the money power, only what the people pay as tariff), what good would it do? It would be like throwing a bucket of water on a burning town. But there is not much danger of the money power making a precedent of allowing money to be loaned to the common herd at low interest, although it would pay either old party wing of the money power to give the farmers \$100,000,000 for a new lease of life between '92 and '96. I think that Senator Stanford's cheap interest bill will end about like Congressman Cannon's pension bill that he, while here, talked

about.

Mr. Cannon made a speech while here last summer before the G. A. R. at Sidney. He talked about the pension business. At the end of his speech he made use of these significant words: "And under high heaven justice will never be done until the soldiers' pensions amount yearly to more than \$200,000,000 instead of about \$52,000,000 which they now receive." He said not a word in his speech, either about the deficient pay bill nor about the arrearage ratings, as it was previous to 1880, and, by the way, I have not heard of Mr. Cannon introducing any pension bill, as yet, during this session of congress. Well, its not much wonder if the representatives of the money power do not introduce any pension bills, as President Harrison advised congress but little about pensions, and he an old soldier, too. He appeared to have more to say in his message to congress about the southern voting being "free and fair count" than about any other one thing. It would seem as well, under the old party management if the people did not vote either north or south, but let the bosses appoint the officers as soon as the nominations are made. Probably if they would draw lots it would be fairer than to buy votes.

I understand it is advised that the Farmers' Alliance and some organizations of reformers (?) are saying that it is best not to form a third party, but each man vote with his respective old parties for "all who will pledge themselves to support certain ideas if elected." Ye gods! What do pledges amount to unless a man has reformed—been born again, as it were—before the nomination? I know two or three men that I can believe at any time only except election time. Cleveland's platform in '84 pledged him to sustain silver. Did he do it? I don't think that the Farmers' Alliance or any other, alliance, only the money power, will find relief while they affiliate with the old metal money miscreants. I think I know what I am saying. These things have been tried in this congressional district. The greenbackers have always fused with the democrats—anything to beat Cannon, but Cannon shoots ahead. The people are beginning to see where the trouble is, and if reformers will unite and nominate candidates of farmers and laborers and leave national bankers, railway attorneys and monopolists out, and vote a straight ticket at the next election for such propositions as are contained in this letter I believe they will pole a larger number of votes than either of the old parties.

Submitted for criticism.

W. T. ELDRIDGE.

Sidney, Mo., April 14, 1890.

May 3, 1890.

SENATOR STANFORD'S

Proposition Is the Most Patriotic and Far-Reaching Scheme

To Liberate the Industrial World from Piratical Extortioners that Has Ever Been Offered.

Industrial Union, Columbus, O.

Senator Stanford, of California, has proposed by joint resolution in the senate of the United States that the government loan its money credit to farmers and such others, as own real estate, at a rate of interest running from 1 to 2 per cent. per annum, thus expanding the functions of government to embrace the most deserving portion of industrial producers. Under the present system there is only merit in it in the eye of the banker and the "shylock." The smallest class numerically considered, is the money-lending, coupon-clipping, dollar-swapping exchange merchants whom custom denominates "bankers" or "brokers." Their number does not exceed one-half of 1 per cent. of the voting male population, yet these plethoric, cunning and "honest money," "public honor" Pharisees have deluded the masses of mankind into a belief that they are the "salt" of the earth, that commerce would decay, that ships would rot at the wharves, that corn and cotton would refuse to grow, and that no industry could flourish were it not for their potential necromancy and power. Most people have been steeped and saturated with this sophistry and delusion because they never candidly thought on the subject. The modern banker, or his system of business rather, possesses all the characteristics of Rob Roy in fact, only that the banker's plan accumulates, or sequesters the wealth of others by diplomatic methods, while Mr. R. R. levied tribute at risk of personal peril.

Senator Stanford's proposition is the most patriotic and far reaching scheme to liberate the industrial world from piratical

extortioners that has ever been offered, but as to its potency is the fact that it comes from a man whose relations to society and business are, one might suppose, to be with the plutocratic, whose opposition and criticisms he directly invites. To propose a system of equitable finance that shall work justly with the many and not unfair to the few, is the noblest aim of statesmanship. In Senator Stanford's interview, published in the Argonaut, San Francisco, Cal., recently, he has burned all the bridges in his rear and return is impossible. This establishes the reality of his sincerity and conviction, which must carry weight with the true minded. In the interview he has elaborated upon and demonstrated the safety, the practical working, the absolute justice, the need and the philosophy of his plan.

That real estate security is the most tangible, permanent and secure is admitted by all intelligent men not swayed by personal interest, ignorance or the miser's superstition. The land is the great reservoir of gold and silver and the ten thousand metals and products that give possibility to life and civilization, and as the whole is always more valuable than a part, it axiomatically follows that real estate is the best security and the most solid basis.

I am aware that bankers, bondholders, bullionists and "shylocks" declare otherwise, but we must consider that their private interest impels them to do so. Therefore, their arguments, professions and assumed alarm, vigorously asserted, should have no influence in dealing with the question. Their testimony is worthless.

The present financial system is a device to not only keep people in debt, but to coerce all persons and corporations into debt. Strange to say, that when the banker is the deepest in debt, under the system, the more he is benefited, and the more involved in debt meshes the whole country is, the deeper clover the banker is in. If this kind of a combination is not pauperizing to industry, then famine is a blessing.

The farmers cannot pay 8 per cent. interest for money to use in a business that rarely pays them 2 per cent. dividend and the mortgages now on the farms of the country at from 6 to 12 per cent. can never be lifted. The farm "must go." Two years ago the canceled mortgages of Ohio run over \$330,000,000, the bonded debt of the state, county and cities about \$65,000,000, the railway debt about \$300,000,000, the banking debt say \$250,-

000,000, mercantile and individual debts probably \$400,000,000, making in the total \$1,345,000,000. The difference between 1 per cent. money and the present rate of 8 per cent. is 700 per cent. off, which Senator Stanford's resolution proposes. The farmer ought to see and realize that it is rank injustice in his government to loan money to men called "bankers" at 1 per cent. in order that the "banker" may re-loan the same money to the man called "farmer" at 8 per cent., making a clear margin, or profit off the farmer of 7 per cent. Is the farmer so stupid as not to observe this vicious outrage? The security that the farmer can give is superior to coin basis and bonded evidences of debt, which latter can have only a value founded upon land and labor.

The farmer, however, is not the only class that is favored. All land owners are on precisely the same footing. The merchant, the mechanic and all other classes are beneficiaries. When government coins all the money and fixes the value thereof by fixing the rate of interest, then we shall really have true money. The man who owns only personal property can always borrow money from some other man on chattel mortgages at a slight advance over government rate of interest. The beauty and magnitude of the Stanford plan, in addition is, that it will not gravitate to commercial centers as now, because it does not start from there as now, but from government county depositories and it must return to the same source of issue. The people take the place of the national bankers and borrow direct from the government as the banks do now, by giving real estate security, instead of the national bond. This is the simple, liberal, patriotic plan of the California senator, and there is no other channel for the mortgage tenant and the debt-ridden creditor ever to rid his burdened shoulders except by actual repudiation.

Every man and woman in the United States should become champions of Senator Stanford and his joint resolution now before the senate. It means better times, better prices, relief from debt, the freedom from extortion, the encouragement of production, the employment of labor, the breathing relay station of this era and the centuries that are to come.

Organize Stanford clubs for this reformation and wait not a moment.

Statesman and Philanthropist.

Hayes Valley Advertiser, San Francisco, Cal.

The View, of Fairbank, Ia. speaks of Senator Stanford as a "millionaire statesman and philanthropist." B. Colvin a correspondent of the Washington, D. C., NATIONAL VIEW: "Hon. Leland Stanford, for president, and Hon. Thomas C. McRea, for vice-president, two of the noblest men that ever God let live." It is to be noticed, that quite a number of reform papers are taking similar views of Senator Stanford's character and chances. Six years ago an old friend of ours seriously rebuked us for "lukewarmness" because we refused to call Stanford a "liar, perjurer and thief." And now, "noblest of men," "statesman and philanthropist"—those are the terms the "old guard," the "friends of justice" the "outspoken and fearless reformers," are applying to the man they then hated and cursed. "If they do these things in the green tree what will they do in the dry?" If they so praise him at the mere talk of his possible nomination, what will they say when he really begins to "work the oracle?"

Respectfully,

of gas lime, which will completely cover the ground and a new vineyard within five miles remote possibility suggested by the apprehension, it is too valuable to be sacrificed in the now under way in the University. In conclusion, I would say, that observation and control. impossible to do unless the living in this unexpected result, and a possible now investigating this subject experiment failure in advance of further the chief executive viticultural office for a time at least, in earth treatment. From some cause this vapour promptly whenever the insect is exposed and established by the experiment of mercurial vapor formerly remedied suggested and furnished to

SATURDAY, MAY 24, 1890.

HON. LELAND STANFORD

A Self Made Man, Successful In All of
His Undertakings.

Deeply Interested In Practical Edu-
cation—Abreast With the Times
In Legislating For the Masses.

Contemporaneous history is ever chary to award a due meed of praise to its leaders. The warrior, poet, statesman, and all others in life's varied pursuits, share this common fate of humanity. A Napoleon finds his laurels overshadowed by the wreaths encircling the brow of an Alexander of Macedon, or Rome's great Caesar. A Shakespeare, a Milton, a Schiller, a Goethe, finds his poet's crown pale before the diadem of a Virgil, a Homer, a Euripides. A Gladstone, a Bismarck, is thought dwarfed in comparison with a Pitt, a Talleyrand. The great names of a Washington, a Webster, a Clay, dim the names of a Grant, a Lincoln, a Seward.

This exaltation of the great of the past over the great of the present, does not arise so much from an overestimate of the past, but from the fact that, fully to appreciate the man of his time, he must be contemplated in all his surroundings. The loftiest peak, glittering in the light of the sun, would disappoint in its grandeur were it considered without the champaign lying at its feet, and the vast landscape it dominates. Thus it requires a full view of the surroundings of great men, a study of the age's tendency, an appreciation of the development reached in the age's social, political and politico-economical conditions, to fully appreciate the part great men played in the world's advance.

"Mutatis mutandis" is the keynote of human progress, and it were as reasonable to place the leaders of the crusades on the same basis with the leaders of modern

armies, as to judge our writers, statesmen, business men and philanthropists by those who, under different circumstances, have preceded them. The grandeur of one period would often be an anachronism in that of another. The golden age of Greece and Rome gave way to the iron age of Teutonic ascendancy, and that again to the Anglo Saxon utilitarian age of the present. It is true that all that was truly great in the past ages of humanity, is yet great in the present age, but time has changed in the warrior, the helmet and cuirass to the modern appliances of warfare; in the writer, the grand movement of epics to the swift measure of modern thought; in the statesman, the craft of monarchism to the broader policy of popular government, and best of all, time has changed in many instances the greed and selfishness of the successful business man of the past to the liberality and beneficence of the philanthropist of modern times.

It is the privilege of THE NATIONAL VIEW to place before its readers, in this issue of its twelfth year of publication, the portrait and the sketch of the life of a man of the present time—one in whom modern manhood finds a distinguished representative—Leland Stanford, of California, the successful lawyer and business man, the indefatigable projector and president of one of the most important lines of railway, the war governor of California, the United States senator and the philanthropist. It is given to few to present so complete, so rounded a life. In its pages is found material for the student of contemporaneous history, encouragement for every toiler of the nineteenth century, an example for the young men upon whose shoulders the weight of the future is to rest, a name that shall worthily fill a niche in the history of the country, a record spotless and pure in all the relations of life, and a broad philanthropy that in its works shall carry the honored memory of Leland Stanford to the grate-

ful generations of the future.

Leland Stanford was born in Albany county, N. Y., on March 9, 1824, and obtained his education in schools of what was then called the academic grade. It is doubtful whether the establishment of institutions with much higher sounding titles has produced a better education than that afforded in these academies. The education obtained therein was thorough in the rudiments, largely based upon an analytical study of the classics, and whilst not aiming at making specialists, opened to its graduates the means for self improvement, and gave them a fair preparation for professional studies. The latter was the case with young Leland Stanford, who in 1846 entered the law office of Wheaton, Doolittle & Headley, at Albany, N. Y. The academic principle "to teach a boy how to study," bore fruit in Leland Stanford's professional studies, for in three years he prepared himself for admittance to practice in the supreme court of the state of New York.

Attracted by the rapid development of the western states, Leland Stanford removed to Fort Washington, in the northern part of Wisconsin, and commenced a successful practice of the law. At this period of his life, 1850, an influence entered it that has never departed, gathering strength as the years went by and moulding that life as no other influence could. The young lawyer in leaving Albany had left his heart in the keeping of Miss Jane Lathrop, the charming daughter of Mr. Dyer Lathrop, a prominent merchant of that city.

Established in practice at Fort Washington, Mr. Stanford returned to Albany for his bride, and two lives became one. Of Mrs. Leland Stanford, a Philadelphia paper writes in 1890:

One of the queenly women of the national capital is Mrs. Senator Leland Stanford. She possesses a fine, commanding presence, gracious manners and a depth of womanly tenderness and gentleness that render her very attractive, especially to those who become intimately acquainted with her. Mrs. Stanford is widely known for her benevolence. Her princely wealth gives her the opportunity for doing good, and her generous, kindly nature prompts her to do it.

When to such a character is added the crowning glory of christian fellowship, Mrs. Stanford being a member of the Methodist Episcopal church, who can limit the influence such a companionship

has had on the senator's life? Doubtless he has often thought, during the changing scenes of a life more than commonly successful and filled with the gifts of fortune, or rather with the results of intelligence, industry and perseverance, that the best gift of heaven is a good wife.

But to return to the period of 1850 to '52. Four years of close professional work had surrounded the young lawyer with the comforts of a home, a professional library, etc., when in the spring of 1852 a fire swept away these results of his toil and left him to commence anew; but with Schiller, in the "Song of the Bell," he might exclaim:

"Upon the grave where buried lies
His earthly wealth, his longing eyes
The man one ling'ring moment throws,
Then, as a pilgrim, gladly goes.
What'e'er the fierce flames may destroy,
One consolation sweet is left—
His lov'd one's heads he counts, and, joy!
He is not e'en of one bereft!"

The tumultuous waves of the emigration of '49 to the Pacific coast had just subsided into a steady westward flow of the enterprising element of the country, and on its swelling tide Leland Stanford went to California, where three of his brothers had preceded him. Dropping the records of the law for the ponderous folios of the merchant, Leland Stanford, first at Michigan Bluffs, and from 1856 at Sacramento, exchanged the arena of the court room for the wider field of mercantile transactions. Success leaped into modest life like a mountain spring born on the brow of the Sierras. It glides past the spruce and pine in its accelerated course, quenching the thirst of plant and animal, and yet augments in strength and volume. Anon, as a rapidly increasing stream, it dashes through the canon, sweeping around the immovable, forcing its path through the yieldable and overleaping the spiteful boulder in its way. At last, having given up in its course far more than flowed from the original fount, and yet grown to grand proportions, as a mighty flood it sweeps its beneficent tide through the plains.

A rapidly accumulating fortune, a growth in the love and esteem of his fellow-citizens, due to a reputation for broad and generous views of life and an

integrity beyond question, comprise the record of the period of Leland Stanford's life that in 1860 sent him as a delegate to the national republican convention at Chicago, and in 1861 conferred upon him the high mark of the confidence of his fellow-citizens by electing him to the governorship of the state of California.

Occupying this position from December, '61, to December '63, Gov. Stanford was mainly instrumental in maintaining the supremacy of the union upon the Pacific coast during the war of the rebellion. It became soon evident to President Lincoln that the construction of a railway uniting the west with the east was a vital measure of strength to the union, and Gov. Stanford, with the able associates he gathered around him, applied himself to the gigantic task of placing an iron band across the continent.

Financial difficulties, the machinations of adverse interests at Washington and at New York, the storms and snows of the Sierras, were alike powerless to combat the irresistible energy and indomitable perseverance of the president of the Central Pacific railroad, who in 293 days built 530 miles of the mountain division of the road. That other distinguished names are connected with this enterprise, does not dim the lustre of Leland Stanford's prominence, for it is the commander-in-chief who makes his lieutenants, and not vice versa, and the selection of the proper men for this lieutenancy is by no means the least necessary qualification of the chief.

In 1884, Gov. Leland Stanford was elected United States senator as the leader of the republican party of California, and took his seat on March 4, 1885, succeeding the Hon. J. T. Farley, democrat. It is but little to say that in the wider sphere of national interests Senator Stanford pursues the course familiar to him in the interests of his state. The picture of a ripe and noble manhood, as seen under the star of his own state, gains in beauty and strength when placed in the light of national scrutiny. The love and honor given to Senator Stanford by the citizens of his state are rapidly widening like circles of sound until their waves bid fair to reach the country's limits east, north and south. As to the cause of this growing national influence, it is found in

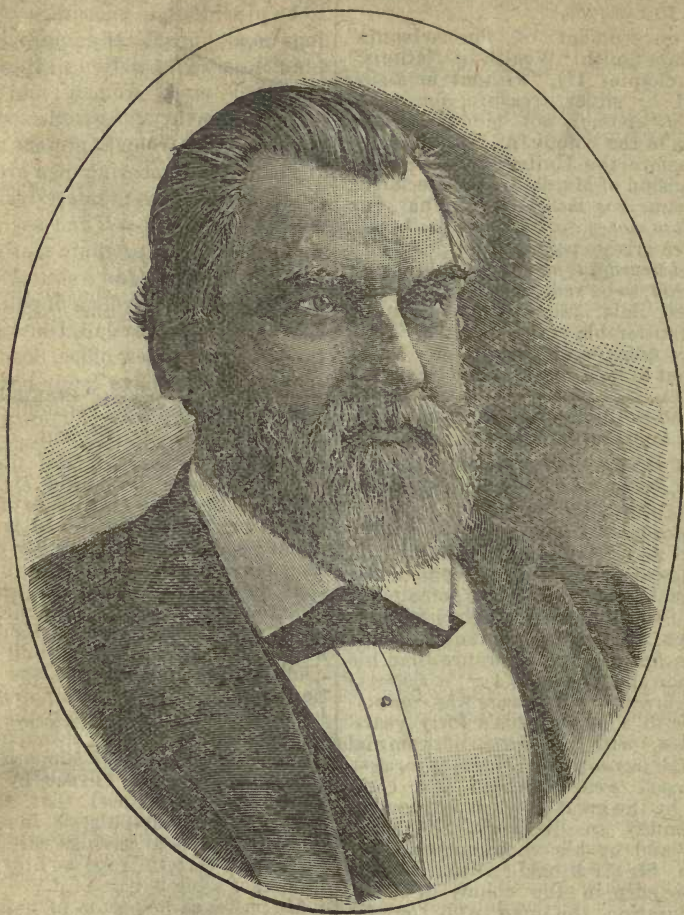
the senator's being, as this sketch of his life points out, a man of his time. Successful in everything he ever undertook, possessing great natural abilities, trained in the changes of his eventful life, having a keen insight in human nature and in the forces that move humanity; placing his standard of integrity and justice high and sympathizing with all that is oppressed, his true manhood speaks to every man and his century acknowledges in him one of its proper representatives. It is well worth listening when Senator Stanford announces:

Money is a force. It is the force that underlies our civilization and pushes it to the greatest possible activity. When it shall be understood, that money is to be issued by the government for the benefit of the great class of producers who demand it for industrial purposes, and that it is not created for the benefit of usurers to sweat it, and of gamblers to risk it and of misers to hoard it, of millionaires to accumulate and of spendthrifts to distribute it in the gratification of their luxurious tastes, then some of the errors which now pervade the whole financial system, will have been dissipated and the use of money will be much better understood.

In the co-operative bill introduced by Senator Stanford in the senate of the United States, he furnishes food for thought, not only to the industrial classes of this country, but of the world. In it he prepares the way for a better understanding between capital and labor and thus furnishes advice upon the most important question of the times.

In his resolution to make loans on real estate, introduced in the senate of the United States, January 10, 1890, he points to the depressed state of the farming communities and the stringency of the money market and proposes loans by the government at small rates of interest upon approved real estate security. A howl of derision, anger and spite from the solid ranks of the money lenders has met this new departure, but not an argument worthy the name has been brought forward to show that Senator Stanford's proposition is either wrong or impracticable.

Loans are made to farmers by the capitalists who make these loans from government funds issued to them on 90 per cent. of the value of bonds placed with the government and upon which the



HON. LELAND STANFORD.

STATEMENT OF PROFESSOR E. W. HILGARD.

THE PHYLLOXERA AT BERKELEY.

government pays interest. What prevents the government from loaning direct to farmers and save to this heavily burdened and struggling class a shylock's percentage?

His remarks on the Blair educational bill, delivered in the senate of the United States, February 25, 1890, are like all of Senator Stanford's utterances, to the point, just, pervaded by an exalted sentiment of philanthropy and worthy of the careful consideration of educators. And perhaps no man of this century has a better right to speak upon educational matters.

The magnificent fortune, accumulated as the reward of intelligence, industry and perseverance, is dedicated to no selfish or inadequate ends. In Senator Stanford's beautiful Menlo Park vast structures are rising, called into existence by the powerful talisman, wealth. A board of trustees controls \$6,000,000 or \$7,000,000. Magnificent properties have been conveyed to them. A property of many hundreds of acres, within thirty miles of San Francisco, the great rancho at Vina, in Butte county, upon which is the largest vineyard in the world; a tract of land in the Sacramento valley, etc., etc. This princely gift, no, it should not be called a princely gift, for few princes have thus given, this gift of a noble citizen of the great republic, is the gift of Senator Leland Stanford to establish the Leland Stanford, Jr., University, of California. With his restless energy Senator Stanford is pushing this great work of his life to rapid completion, paying out of his private funds the bills for labor and material. Three hundred young men and the same number of young women are to be admitted to this university at its opening and its funds are ample to provide for almost unlimited extension. And here is Senator Stanford's purpose in establishing this institution as given in a recent interview:

At this university I hope to see my ideas of a higher education realized. I believe that the kindergarten principle can be applied to higher education. The school will give technical as well as literary and scientific instruction. The perceptive faculties should be developed and used to their greatest capacity. The welfare and happiness of mankind depend very largely on the general diffusion of knowledge.

The system herein spoken of by Senator Stanford is that of a practical educa-

tion, viz.: To place illustrations, experiments, models and the appliances for observation before the students and through such means to lead from the observed to the deduction of the laws and conditions that pertain to it. Senator Stanford is fully impressed with the certainty that the practical tendency of this age will long control the future and that when educational assemblies all over the country propound the question (and in its discussion leave a doubt) whether our present education "does prepare our young men and young women for the duties of life," it is the prerogative of men like Senator Stanford to inaugurate a new educational era and to see to it that the time spent in the preparation for life's work is not wasted.

It takes breadth of thought, warmth of heart and a noble philanthropy to use a large part of a fortune as Senator Leland Stanford uses it, but he secures thereby the great prize of the love and esteem of his fellowmen, the gratitude of the generations of the future; the approval of his conscience and the laying up of treasures where alone they can be eternally enjoyed. A great man of his time, indeed! Not great in the greatness of bygone ages, but great in the greatest of ages, the present! Great as the promoter of one of the century's most stupendous works; great as the honest statesman of a free republic; greatest as the christian philanthropist! Senator Stanford's personel is thus described in a recent interview:

He has a massive frame, a deep chest, the strong neck which indicates high vitality and a head which matches his physique. His face resolves into marked features and the features are outward signs of a positive character. Grey whiskers half conceal a strong jaw and firm mouth. The nose reveals the man of great commercial plans. It is broad from root to end and heaviest at the base. The lower brow bulges with an unusual development of the perceptive faculties. Deep set grey eyes peer from under shaggy brows with kindly light.

Being in the prime of life, Senator Leland Stanford may yet be called by his fellow citizens to a higher position of honor in their gift, but such honor would have to seek him as the governorship and senatorship did, without solicitation or effort on his part. Whether the republic shall honor itself in thus honoring one of its foremost citizens remains to the future. Senator Stanford already has the proud position of being one of the first of Americans and of being first in the hearts of many of his countrymen.

THOUSANDS OF FARMS

Are Being Sold By the Sheriff to Satisfy
Mortgages.

Urge the Grangers to Stand By
Stanford and His Resolutions So
They May Be Independent.

Editor of THE NATIONAL VIEW.

I hardly know how to express my indignation at the stupidity of those who should have some regard for their reputation for sagacity as well as the rights of the masses of the people. How long, Oh Lord, how long will the American voter who is bending his back, racking his brains, exerting every mental and physical power to hold a home over his family and self stand and vote away his birthright for a mess of stale protective tariff pottage. Here is the speech of the double-dyed, one-horse demagogue who misrepresents the eighteenth district of this state, blowing his addled brains out over a new tariff bill while literally hundreds of thousands of farms are being sold by the sheriff to satisfy mortgages that were forced on them by the cursed manipulations of his party by demonetizing silver and robbing the people of the greenback that was the financial sinews of the late war at a time when they needed it to build up the waste places after that calamitous event and has opened the doors—*wide open*—to the foreign investors to purchase every industrial establishment the country contains until there is nothing left worth protecting that has an American citizens title in it?

All of this was done while a high protective tariff prevailed, and will more of the infernal nostrum give the farmer his farm and return the manufacturers their plant and drive the starved, half-clothed, houseless lazzarine that throngs our mines, mills, factories and shops back to Europe and Asia so the American native-born citizen can breathe free from this putrid, protected atmosphere? Never! The present condition must prevail until

the American laborer is starved down to the level of the serfs of the older countries, until the industries that was the pride of the nation pass into the hands of the syndicates of shylock Jews who have in the dreary past cursed every country they have infested, and this once grand country pass down to the level of India and Ireland.

The history of the past points out clearly and unmistakably where we shall land—what our destiny is. But it will be asked: What of the reformers that are leading the masses, educating them in statesmanship, showing them the way out of the tangled labyrinth woven about them by the cunning hand of the traitors who have sat in high places and legislated away the inalienable rights of the great common people and made the land of Washington, Jefferson and Lincoln, a land of pirates, and their victims, *yes where are they?*

In the last number of THE VIEW, we see where one of them is and not the only one, unfortunately, and he the great lecturer of the National Grange. Well, what has he to say to the farmers that has furnished thousands of dollars out of their hard earnings—the scanty pittance that monopoly has left to them to pay him to enlighten them on these great questions. I quote from his flaming generalities:

The big fight right now is the new tariff bill by which the farmers are to have some "protection" with manufacturers and others.

Why of course that is what the fool farmer wants—"tariff"—he don't want money to pay his taxes, to pay his debts, to redeem his home from the sheriff, *Oh, no*, nothing of that kind! All he wants is some of the old stale talk of tariff and that will settle his debts, support the monopolies and bless him "world without end."

Now, Brother Crandall, I do not enjoy this kind of criticism and do not believe much in vituperation or ridicule but what under the heavens is the use of reasoning with a set of men that are so trammelled with prejudice that they can be led as the average voter is by these self-constituted political and reform leaders?

But what has this national lecturer of the Patrons of Husbandry found in the new tariff bill that stirs him so profoundly. Potatoes and wool are to be

protected. What a windfall for the farmers? Wont that lift them. That will redeem their farms from the grasp of the sheriff, yes indeed. Wonderful isn't it. Never was heard tell of before.

Now, we had from 1868 until the 10 per cent. "horizontal cut," the highest tariff on wool that we ever had, yet, in 1873, more farmers were crushed than there ever was before in the same length of time and the farmers paid the highest tariff on woolen goods that they had ever paid. So what did it amount to to them in the long run, and on potatoes it is a curse to the farmer as he gets very small compensation when he has them to sell, but when he has to buy, when they are scarce, which is the only time they are imported.

I once bought a few Scotch potatoes for seed, after a failure, at \$1.50 per bushel and was informed that it was the tariff that made them so dear. There might have been something in tariff fifty or 100 years since, or even less, but don't this doughty lecturer know that the farmers of the United States are not, never have been or will be the recipients of benefits from tariff legislation as the volume of money fixes prices, regardless of tariff? Don't he know that the prices of nine-tenths of his products are fixed by foreign capital and capitalists? Don't he know that everything worth having in America is owned and controlled by foreign syndicates of capitalists from the railroads and banks down to starch factories and laundries, save and except farms, which are mortgaged for more than they will bring while our money volume is shrinking as it is at present and those mortgages are held largely by the Jew money loaners of Europe? Don't he know that the foreign capital invested in our industries is being protected by the same tariff that he is endeavoring to get the farmer to stand by, said capitalists at the same time employing foreign cheap labor that consumes so little that there is no market for the farm products, while he has to pay a bounty for all manufactured articles he buys that so impoverishes him that he must loose his farm when encumbered by mortgage to the money loaning foreign capitalist?

Verily the farmers are being crucified between two thieves, with thievish monopolies standing sentinel to see that nothing he has or produces shall escape them.

How men professing to be the friend of the farmer can stand and see his interests betrayed, and mislead him with talk on tariff passes my comprehension.

This worthy lecturer prates about "equality before the law" in tariff legislation, but why don't he demand "equality before the law" in financial legislation? Why don't he tell the farmers of the infamous robbery they have been subjected to by the national banks? Why don't

he call their attention to the silver legislation that is pending? Why don't he call their attention to the Stanford resolution, that will do more to knock the shackles off of the limbs of the farmers than all the tariff legislation that has been put on the statute books of the nations of the earth since old Joshua's sun began to shine? Why don't he show the farmer he has as good right to money at 1 per cent. per annum as any cunning, indolent banker? Why don't he show the farmer that these bankers have been fattening on his labor and by all the banking done since Christopher Columbus landed on these shores have not produced enough wealth by their black art to purchase one plug of dog leg tobacco, that every dollar of their fabulous wealth has been produced by labor and that at least two-thirds of this wealth has been stripped from the farmers without the least shadow of an equivalent being received for it?

Why don't he show the farmers that they could better afford to lose every sheep and potato than to lose the advantages of borrowing money at 1 per cent. to pay off their debts and to do business, raise prices, increase wealth in their hands, take the mortgage off of the labor of their children and make this country a veritable heaven compared to the hell of desperation that it is being driven to by shylock methods that would disgrace perdition in its palmiest days.

Why don't Brother Whitehead urge the grangers to stand by Stanford and his resolutions so they may be independent of the most heartless crew that ever scuttled a ship or cut a throat?

There is criminal negligence here I fear as the resolution offered to loan farmers money at the same rates as bankers have had it for the last twenty-five years, is the only salvation for the debtor farmer and every farmer should be informed of this move in his behalf so he might save his family a home and be an independent citizen of the republic. Yours truly,

CHAS. JENKINS,
Snodes, O.

of coloring so was the reappearance of gradually the center of the dorsal plate three weeks, and kept a uniform pale-colored and remained motionless. The grub or larva and attract the male. The metamorphosed female, possesses the pyral beetle, better known as *Zarhipis*. This luminous larva has proved to be long kept secret, can apply themselves persons who are equally anxious with

THE THREE AMERICAS

Monetary Science and the Social Questions of the Age, By Par.

How Senator Stanford Would Relieve the Farmers Who are Heavily Burdened.

Extracts from advance sheets from a work, with the above title, now in press.

FROM CHAPTER XX.

Perhaps the most startling return upon the part of a prominent official of the government to the views of the early leading statesmen, philosophers and patriots of our younger days as a nation, were the recent declarations of the senior senator of California upon this vital question.

We consider the whole subject, the resolutions and his remarks upon them, as eminently pertinent to the object of this work, and especially the subject of this chapter, and we shall embrace them in full in these pages to aid in their propagation, as we had taken this precise position in our chapter on "The Farm Mortgage Problem and Its Solution," then in the hands of our publisher.

A LESSON IN AMERICAN COLONIAL HISTORY.
GOVERNMENT LOAN OFFICE—LOANS ON LANDED SECURITY—LOANS PAYABLE IN INSTALLMENTS.

The colony of William Penn in 1723 issued bills of credit or treasury notes, not redeemable in any other species of money (absolutely irredeemable currency, save in taxes), which not only purchased all commodities, the same as silver and gold coin, but the colonial authority authorized loans on the security of real estate—the highest form of earthly security—*making the loans payable in stipulated installments.* The stimulus to industry and the rapid increase of wealth by the wealth-producers, independent of English usurers, alarmed the bankers of England, who influenced the parliament of the mother country in 1764 to forbid the use of colonial money by the American colonies. The fiction that money must be redeemed by money, and its attendant fiction that money can produce money, or the equally 'unreason-

able fiction that we can sow without land, without rain, without plows, and expect increase," was endangered by the forty years successful experiment in finance by the colony of Pennsylvania; and the money-loaners of Great Britain (who then, as now, controlled the British parliament, as they do all American legislation upon finance) tyrannically forbid such a dangerous experiment to them, for fear the people would learn the secret of the "black art of modern finance" and expel the money-changers again from the temple.

ADAM SMITH, THE ENGLISH ECONOMIST, ON PENNSYLVANIA'S SUCCESSFUL EXPERIMENT OF AN INCONVERTIBLE CURRENCY AND LOANS TO FARMERS.

"The government of Pennsylvania" (says Adam Smith, "Wealth of Nations," book V, chapter II), "without amassing any gold or silver treasure, *invented a method of lending, not money indeed*" (that was in the colony A. D. 1723, some period before the United States supreme court decision of March 3, 1884, declaring *such an issue was money*), but what was *equivalent to money*, to its subjects, by advancing to private people, at interest, and upon land security, *to double the value, paper bills of credit*, to be redeemed fifteen years after their date, and in the meantime made transferable from hand to hand like bank notes, and declared by act of parliament to be a legal tender for debt," etc.

These were the first legal tender greenbacks in America; 170 years ago.

BENJAMIN FRANKLIN, THE GREAT PENNSYLVANIAN, ON THE COLONIAL SYSTEM OF INCONVERTIBLE TREASURY NOTES.

The words "philosopher," "patriot," "printer" and "statesman," inscribed on the pedestal of the magnificent white marble statue erected to perpetuate his lessons of wisdom, in the principal thoroughfare of the national capital, were due him less for any one utterance than his views upon the true basis for "*a system of domestic currency.*" The sage was contemporary, with Pennsylvania's forty years' experience, with an issue of colonial *inconvertible treasury notes, loaned to farmers on real estate security*; which was commended by the great English economist, Adam Smith, in his work, "Wealth of Nations," and by his commentator, the historian, Sir Archibald Alison. With this experience in the colony of forty years' duration, the man who "*tore the lightning from the heavens and wrested a sceptre from the hand of tyranny,*" declared after the revolutionary war:

On the whole, *no method has hitherto been formed to establish a medium of trade equal in all its advantages to bills of credit made as general legal tender.*

Gold and silver are not intrinsically of equal

value with iron. Their value rests chiefly in the estimation they happen to be in among the generality of nations. *Any other well-founded credit is as much an equivalent as gold and silver.*

Senator Leland Stanford, both in his *plan for a government issue, and government loans*, stands upon the historic precedent of the early colony of Pennsylvania; thus commended to posterity by the sage, now revered by the sons of that noble commonwealth, as he is by all true Americans.

We commend Franklin and his political economy; and the early lessons at the colony of Pennsylvania; to the money-lenders and their metropolitan organs, in the City of Brotherly Love, whose arrogant sneer betrays the hired and interested services of their servile pens.

A LOAN TO BRAZILIAN COFFEE FARMERS.

It is not uninteresting in this connection to state an instructive fact touching the subject of government loans, or loans guaranteed by government, to Brazilian coffee planters.

Under the recent Curo Preto ministry, the sum of 100 contos of reis (about \$54,500,000), in aid of the agricultural interests, was lent to farmers through the banks.

The statement is made in the first annual report of the minister of finance, issued December 31, 1889, that this sum has to be spent during the various terms, the government having authorization to suspend such contracts if judged to be useless.

It is the opinion in Brazil, among that very enlightened people, the descendants of one of the oldest and most refined of European nationalities, that *the government will not lose the interest, if the farmers derive no result from it, as, on the contrary, the interest will enter the coffers of the treasury, under the form of importation and exportation taxes on agricultural products; of lands whose taxable value is enhanced by the loans.*

Our statesmen must go to France and Brazil; not England, to learn financial wisdom. Yet England, by act of parliament, has aided Irish farmers to the amount of £50,000,000. Prussia has made the same salutary experiment, and the state of New Jersey is not without a beneficent precedent. The class which feeds and clothes mankind, and of all others, is most entitled to the fostering care of government. In the United States it has ever received the least consideration. In them now reposes the power to enforce attention to their necessities. "They know what they want and are going to have it."

THE LESSON OF HISTORY.

The power to issue bills of credit, or legal tender treasury notes, redeemable in taxes and their loan by the government, payable in regular installments secured by the highest form of security, landed property—was (it will be seen) coeval with our earliest colonial history.

The denial by Great Britain of that power to the colonies in the interests of money-lenders, was one of the principal, enumerated grounds of discontent, in the immortal declaration of 1776, and in part the basis of our successful rebellion.

King George and his premier, Lord North, were arraigned before the world by Thomas Jefferson. His name is appended to the immortal declaration "where all nations might behold it, and all time could not efface it," and among the chief grievances he charged the king and parliament "for suspending our legislatures, and declaring themselves invested with power to legislate for us in all cases whatsoever." But thirteen years prior to this count, in the indictment of the colonial assize, against the encroachments of the crown, the people of the colony before whom, and in whose midst, this declaration of the rights of man was first proclaimed, had solved successfully the problem of an irredeemable domestic currency, save in taxes, and its loan by government without usury for farm improvements, payable in installments.

THE WARNING OF HISTORY.

We repeat that this usurpation of authority whereby a colony was forbid to issue legal tender notes, or its own domestic currency, was the special grievance of Pennsylvania, which was thus given over to the tender mercies of British money-lenders, an offense no more grave than that perpetrated by the forty-second and forty-third congress of the United States against the people of these states, when it destroyed or bonded (which was worse) the war legal tenders into an interest-paying debt, and demonetized silver in the interest of the money-lenders of the east in 1873.

King George III failed to profit by the examples, to which he was pointed in warning, when Patrick Henry invoked the fate of Cæsar and Charles I on his head. He neither lost his head nor his crown, but the latter lost its grandest diadem, and the mother country the most magnificent heritage with which any empire was ever endowed in either modern or ancient times—the English colonies from the St. Lawrence to the Gulf of Mexico.

The money-lenders of England still wield power in America. They and their American co-conspirators, and the servile imitators of their system, have never until now had the veil torn from their god's hideous visage. We warn them that as the king they controlled once lost his American colonies, they may trespass so far in their frauds of 1869, 1873, 1879, as to forfeit the fraudulent acquisitions with which they are seeking by usury arts, as in Rome and England, to become the lords of our land—

"And we petty men

Walk under their huge legs, and peep about
To find ourselves dishonorable graves."

THE LAND LOAN BUREAU

The Bill Introduced By Senator Stanford in the United States Senate.

Relief for the Thousands of Farmers Who Are Oppressed and Overburdened.

In the senate of the United States, May 20, 1890, Mr. Stanford introduced the following bill, which was read twice and ordered to lie on the table:

A BILL

To provide for making loans by the government and securing the same by liens upon land.

Be it enacted by the senate and house of representatives of the United States of America in congress assembled, That there is hereby established in the department of the treasury of the United States a bureau to be known as the land loan bureau.

SEC. 2. That a chief and deputy chief of such bureau shall be appointed by the president of the United States, by and with the advice and consent of the senate; the salary of the chief of such bureau shall be \$6,000 per annum, and of the deputy chief \$5,000 per annum.

SEC. 3. That it shall be the duty of the chief of such bureau, under the direction and with the approval of the secretary of the treasury—

First. To superintend the affairs of the bureau; to receive and approve or reject applications for loans.

Second. To keep a record of all such applications and of the action had thereon.

Third. To keep an account with every person to whom a loan is made.

Fourth. To keep an account with the treasurer of the United States, showing all moneys received and disbursed by him and the purpose for which such receipts and disbursements were made; to collect and pay into the treasury of the United States all loans when due or payable.

Fifth. To make all proper rules necessary to carry this act into effect.

Sixth. To appoint such subordinate officers of the bureau as may be necessary to carry out the provisions of this act, and to define their duties.

Seventh. To prescribe the form and manner of keeping accounts with the treasury of the United States, and with the various persons to whom loans shall

have been made, and of the expenses and disbursements in connection therewith.

Eight. To perform such other duties as are prescribed by law.

SEC. 4. That the treasurer of the United States is hereby authorized and directed to be caused to be printed, signed and ready for issue, for the purpose herein-after mentioned, circulating notes of the United States of the denominations of \$5, \$10, \$20, \$50, \$100, \$500 and \$1000, to the amount of \$100,000,000, and such additional amounts from time to time as shall be necessary to meet the requirements of this act.

SEC. 5. That said notes, when issued as hereinafter directed, shall be a legal tender in payment of private debts, equally with gold and silver coin for like amounts, and shall be received at par in all parts of the United States in payment of taxes, excises, public lands and all other dues to the United States, and also for all salaries and other debts and demands owing by the United States, within the United States, except interest on the public debt, and in redemption of the national currency.

SEC. 6. That said notes, when ready for issue, shall be held in the treasury to the credit of the land loan bureau until issued as hereinafter prescribed.

SEC. 7. That every person who is a citizen of the United States, or who has declared his intention to become such, and who is the owner, in fee, of unincumbered agricultural land, may file with the bureau an application for a loan to be secured by a lien upon such land, valued for agricultural purposes. Such application must be in the form prescribed by the chief of bureau, and must describe the land, and state its actual cash value for agriculture, independent of improvements, and also its assessed value for taxation purposes, for the year previous to application, the amount for which the loan is sought, which must not exceed one-half the assessed value of the land, and the time for which the loan is to run, not exceeding twenty years, together with such other facts as the chief of bureau may by regulation prescribe. No loans shall be made upon land of less than \$500 in value nor in sums less than \$250.

SEC. 8. That a copy of the application for such loan must, at or before the time of its receipt by the chief of bureau, be filed in the office of the recorder of deeds or the officer exercising the functions of recorder in the county of the state or territory in which the land described is situated, or if the land lies in two or more counties, in such office in each of the counties; and from the time of the filing of such application in such office such filing shall constitute a lien upon the land described for the amount of any loan granted by the United States under such application, and shall be notice to all sub-

sequent purchasers and incumbrancers, and shall be a paramount lien over all others with which said land may be further incumbered, and shall, if the application is granted, continue until the money thereby secured, with the interest, costs and legal charges of collection has been fully repaid and satisfied.

Sec. 9. That upon filing of such application with the bureau of land loans the applicant must deposit a sum, the amount of which shall be prescribed by the chief of bureau, sufficient to pay the costs of examination of the title to the land, and inspection and appraisalment thereof, which examination, inspection and appraisalment shall be made by persons within the respective counties, to be appointed for that purpose by the chief of bureau, and their compensation must be paid out of the amount so deposited; the balance, if any, to be returned to the applicant.

Sec. 10. That if the chief of bureau, upon such application and upon the report of the commissioners of title and appraisers, is satisfied that the title is perfect and that the amount sought does not exceed one-half of the actual cash value of the property and is not greater than one-half of the assessed value thereof for the year previous to application, then it shall be his duty to notify applicant that the loan is granted, and to direct an entry to be made upon the books of his office, crediting the full amount of the loan to the applicant, and to transmit to the proper officer of the treasury of the United States an order directing him to pay the amount thereof, in the notes hereinbefore provided for, to the disbursing officer of the land loan bureau, where the same shall remain, subject to the order of the applicant, who may at once or from time to time, as he may desire, draw the same upon his check or draft.

Sec. 11. That the chief of bureau, after having received the report of the commissioners of title and appraisers, and being satisfied that the title to said land is in the applicant, but that the loan sought is too large, may so notify the applicant, and advise him that a smaller sum (naming it) would be lent. In case the applicant accepts such smaller loan proceeding shall be then had, as provided in section 10 thereof, and the chief of bureau shall issue to such applicant a certificate to be filed in recorder's office, where the original application is filed, certifying that said loan has been made for an amount less than is set forth in the application (stating it), which certificate shall, as to the amount, have the effect of reducing the lien of the United States to the sum therein stated.

Sec. 12. That if upon the land described in the application there is an existing lien or incumbrance to secure the pay-

ment of money presently due and payable, and in an amount less than the loan sought and granted, then the land shall be deemed unencumbered, but instead of paying the amount loaned to the applicant, it shall be the duty of the disbursing officer, out of the sum loaned, to pay off the amount due, and to cause to be discharged the lien or incumbrance, charging the amount of such payment to the applicant in like manner as if it had been paid on his check or draft.

Sec. 13. That it shall be the duty of the chief of bureau to cause an account to be opened, on the books of the department, with each person to whom a loan is made, crediting him with the amount of the loan, and charging him with the amount drawn thereon, with interest on the amount so drawn at the rate of 2 per centum per annum, and also to credit to such account all payments made, so that such account shall at all times show the true state of account between such person and the United States.

Sec. 14. That any person who is indebted to the United States on any of the accounts aforesaid, may at any time pay into the bureau the whole or any part thereof, not less than 25 per centum, and may at the time of making such payment, with the consent of the chief of bureau, elect in writing to make the security already given a continuing one until the expiration of the twenty years, and may at any time during the life of the original loan, by check or draft, draw from the bureau a sum or sums up to the full amount of the loan originally granted. It shall be the duty of the secretary of the treasury to cancel and retire from time to time amounts equal to the payments made on loans under the provisions of this act, and in case payment of such loans is made in other currency of the United States, to cancel an equal amount of the notes issued under the provisions of this act.

Sec. 15. That whenever an application for a loan is refused, or when a loan once made has been fully paid without an election to continue the same, the chief of bureau shall make a certificate stating the fact, which certificate, filed in the office of the recorder of the county in which the original application was filed, shall release the lien of the United States upon the land described in the application.

Sec. 16. That all loans made under the provisions of this act shall bear interest at the rate of 2 per centum per annum, payable annually, and in default of the payment of any such interest, or on any default in the payment of principal, the chief of bureau may order a foreclosure of the lien by a suit in the name of the United States as plaintiff, in any court of the state in which such mortgaged lands

SATURDAY, MAY 31, 1890.

or any part thereof may be or in any circuit or district court of the United States for the district in which such mortgaged lands may lie, or if such mortgaged lands lie in a territory, or in the District of Columbia, then in such territorial or district courts; all proceedings in foreclosure cases shall, as nearly as may be, conform to proceedings provided for by law in the state in which the land may be situated for foreclosure of mortgages, and in addition to the amount of the principal and interest recovered there shall, in such proceedings, be added to the principal and interest due, the cost thereof, and attorney and counsel fees at the rate of 5 per centum on the amount of the principal sum; provided, that in no case shall such attorney and counsel fees exceed \$500.

SEC. 17. That words used in this act in the present tense shall include the future as well as the present. Words used in the masculine gender shall include the feminine. Words used in the singular number shall include the plural, and the plural the singular, and the word person shall include corporations as well as natural persons.

SEC. 18. That the rule of the common law, that statutes in derogation thereof are to be strictly construed, shall have no application to this act. This act establishes the law respecting the subject to which it relates, and its provisions and all proceedings under it are to be liberally construed with a view to effect its object.

SEC. 19. That this act shall be in force from and after its date.

George E. Sherman, A. B.

1865.

C. L. K. Tracy, A. B.

A. F. Lytle, A. B.

1864.

College of California.

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OF CALIFORNIA.

THE LOAN DEPARTMENT

Remarks Made By Hon. Leland Stanford

In the Senate of the United States,
Friday, May 23, 1890---Government Loans on Real Estate.

Mr. Stanford. Mr. President, on the 10th of March I introduced a resolution intended to provide for additional money for the use of the people, and to effect this end suggested that the government should issue its money direct to the owners of unencumbered agricultural property independent of improvements.

I find that although the resolution has been widely commented on, it is not always clearly understood. As an aid to its proper understanding, I have presented a bill providing for loans by the government upon real estate. It will be observed that the plan is very simple. There is little complexity about it, and the department created to accomplish its purposes will be much less complicated than our postoffice department is to-day. The bill authorizes loans not exceeding one-half the value of the property mortgaged, but probably the loans will never reach to more than one-third of the value of the security.

The principle of the government loaning money upon property is completely established in its present advance of 90 per cent. upon government bonds. The tremendous results of energizing this 90 per cent. and putting it into activity are apparent to all. Equally valuable will be the energizing of the latent forces of real estate.

The bill confines its provisions for loans

to agricultural lands, but in time they will probably be extended to some other kinds of property, and even to municipalities with proper restrictions. But for the present I desire to be conservative and take no chances. Therefore, I want the loans limited to agricultural land.

Money is the great tool by which exchanges of commodities and values are balanced and made easy. I think it legitimate to call money a tool. It is valuable only for the purpose of exchange, aiding the exchange of commodities valuable in their use. For other purposes money would only have the value of the material upon which it is made. It is the stamp of the government that makes money and not the material upon which the stamp is placed. Money is valuable according to its purchasing power, or perhaps more strictly according to its power to pay debts and discharge obligations and liabilities.

To appreciate the importance of money in the various affairs of life, we have but to imagine the condition that would ensue if money were suddenly obliterated from all business affairs. There would be a general suspension of business all over the country that would be ruinous, and unless speedily relieved would absolutely destroy our prosperity, and would go far towards reducing us to the poverty and wretchedness of barbarity.

Appreciating the calamity that would befall if money were suddenly stricken out of the affairs of men, we can readily understand the advantages that would accrue from a liberal supply equal to the wants of all who, by reason of their position, integrity of character and business capacity are entitled to credit, and who can use it in giving employment to the unemployed and developing the resources of the country that now are undeveloped for want of this tool—the master of all tools—an abundant supply of money.

Constant and intelligent employment for all is the great step forward towards availing ourselves of the inexhaustible supplies of nature to satisfy all the reasonable wants of mankind. Give to the enterprise and capacity of the country ample financial means, according to merit, and there will be no need of idleness. Employment will be readily furnished by those anxious to make a profit, and content with a small profit where larger cannot be had. Until co operation of labor shall become the rule, it is the comparatively few who must furnish steady and profitable employment for the many.

But it is not necessary to dilate upon the advantages of constant employment, nor the certainty with which this would be secured by an amount of money equal to the best enterprise, energy and capacity of the whole people. The greatest prosperity to the country will be evolved by the steady and constant employment of its laboring element. When the many are prosperous the individual cannot be otherwise.

I will proceed now to consider the practical question of how to furnish a sufficiency of money.

The bill provides that the government shall loan on agricultural property, independent of improvements, 50 per cent. of the assessed value, at a rate of interest of 2 per cent per annum. The best security that can be offered is agricultural land. The power of the government to create money is conceded, and its value is the same, whether made of iron, copper, silver, gold or paper. The important point, therefore, is that it should be stamped by a government whose credit is unimpeachable, and which has the power of making money.

The next important consideration is, how can the government, without injury to itself, place in circulation that which is so much needed and is so absolutely essential to the commercial and business

transactions of civilized life? The government can accomplish this by taking the agricultural lands of the country as security upon the terms and conditions indicated in the bill.

No pressure for redemption can be brought to bear upon the government, as only those who are entitled or in a condition to have the mortgages redeemed can make a claim on the government. The paper will always be redeemed by the government surrendering the mortgage upon the presentation of the amount of money necessary for that purpose.

The government loans its credit to the individual in order that the whole people may have a sufficiency of money with which to prosecute their business.

The bill provides that the money thus issued by the government shall be legal

tender, payable for all debts and claims, public and private, except the interest on national bonds and the redemption of national notes. There is no analogy between this scheme for a government of 65,000,000 of people, with its boundless resources, issuing its money, secured directly by at least \$2 for \$1, on the best possible security that could be desired, and any other financial proposition that has ever been suggested. It is true there have been other loans secured by mortgages, as, for instance, that of the safety-fund system of New York; but in that case the money issued was that of the bank. In a small way money has been loaned on real estate before, as provided in Pennsylvania, in the time of William Penn, but never has a great nation, such as the United States, made its own money and put it in circulation with a special security of real estate of double the value of the money coined.

I therefore do not recognize any analogy between the plan embraced in the bill under consideration and any other that has ever been proposed. We can all well understand the great advantages to the people at this time of a loan made by the government of 90 per cent. upon its own securities. One hundred thousand dollars of government bonds at 4 per cent. only produces \$4000, yet when its value becomes energized to the extent of 90 per cent. (which the government advances) its power is so increased that the \$90,000, in its activity, may in the course of a year double its value and pass from hand to hand many times, stimulating

the various industries of the country. So, too, this bill will have a corresponding energizing effect. The money issued is not intended to accommodate the farmer alone, but as it comes into circulation it will put the means of prosperity within the reach of those who are engaged in the smaller and larger industries of the country. This money issued by the government becomes automatic. It will contract when there is less use for it, and expand when there is a greater demand; thus disastrous financial contraction will cease to be possible.

I think there is good reason for fixing the rate of interest at 2 per cent. With a 2 per cent. interest no farmer will borrow money unless he has use for it, and when he ceases to have use for it he will return the money. That, however, will seldom occur, because the very activities that will be created by a liberal supply of money will make a demand for it, so that the man who has borrowed money of the government at 2 per cent. will be able to loan it to various active interests at a higher rate of interest. The extent to which the rate of interest he pays is a burden to the borrower, is largely determined by the nature of the business in which he may be engaged. The farmer having but one yearly product finds the interest which he pays a burden upon that product, which he cannot recoup as does the merchant. For instance, a farmer owning a farm worth \$10,000 borrows upon it \$5000 at 6 per cent., and immediately places a heavy burden upon the product of his property, for his interest is \$300 per annum, and the product of his farm, very likely, will not be above \$2000.

A merchant borrows from a commercial bank \$5000, perhaps with a single indorser, for sixty days, and pays 6 per cent. for the use of the money. He has, say, \$10,000 worth of merchandise on hand, which he turns over every two months, thus making \$60,000 to bear the interest of 6 per cent. upon \$5000. Besides this, the interest that he pays can be added to the cost of his merchandise or product, and thus he recoups the amount he pays out and does not feel it.

So that interest on money is liable to advance for commercial and business purposes according to the activity of business. The very value of money itself lies in its activities. This plan of loaning money upon land at 2 per cent., with the privilege to the borrower of returning it when

he has no use for it, creates a moneyed system that will meet financial expansion and contraction as they may occur, without inconvenience to any. Under its provisions, the real estate of the country being so vast, there will always be the possibility of obtaining the money necessary to carry on the enterprises of the country, and when there is no further use for the money the borrower stops paying interest and takes up the mortgage upon his farm.

The bill which I have presented is not expected to be perfect in its details, although I think it provides fairly well to place the machinery in good working condition to carry out the designs. I have given this subject a great deal of thought for years past, and that thought has at last matured in this bill.

I have limited the time to twenty years, but of course, if at the end of that time it is found that the value of the land has increased, the loan can be renewed for an amount in proportion to the increased value of the property.

I believe that if the bill is adopted, with such amendments as shall seem wise to congress, it will largely increase the prosperity of the humblest classes in labor, and assist the wealthier to success in their enterprises. It will place the means necessary for enterprise and the employment of industry in the hands of all that are fitted for its management.

I believe that its provisions will make us independent of the foreign money-lender, and that the many millions now going abroad in the way of interest will be kept at home.

The masses are beginning to realize the the condition of life for humanity is not what is possible. To reach the possibility is the great question now to be considered. In the unrest of the masses I augur great good. It is by their realizing that their condition of life is not what it ought to be that vast improvements may be accomplished.

It is the duty of statesmen to furnish the means, if possible, to find out the way by which the Creator's design for the highest advance of civilization is to be obtained. Want, discomfort and misery are not necessarily the heritage of the industrious and provident man.

Put the tools of industry in capable hands that know how to use them and great results will follow.

The bill provides for what may, perhaps, not improperly be termed a revolution in finance, and I do not expect that it will be adopted until it has been fully considered by the people and has met with their approval.

I move that the bill be referred to the committee on finance.

The motion was agreed to.

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"The Theories as to the"	PEDRO NEL OSPINA (Mining)
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