





"To have sought, found and laid open a form of truth, be that my commendation, even though none understand."—
SAINT BRUNO.

"But that one man should die ignorant who had capacity for knowledge, this I call a tragedy."—THOMAS CARLYLE.

PROBLEMS ✦ IN NINE
OF THE . . ✦ BRIEF
HOUR . . . ✦ STUDIES.

By ^{Albert Owen} A. K. OWEN.

Ring out a slowly dying cause,
And ancient forms of party strife;
Ring in the nobler modes of life,
With sweeter manners, purer laws.

Ring in the valiant man and free,
The larger heart, the kindlier hand;
Ring out the darkness of the land.
Ring in the Christ that is to be.

—Tennyson.

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PREFACE.

DURING the thirty years since the assassination of Abraham Lincoln the accumulation of property and power in the hands of incorporated associations of our citizens has changed the entire character of our government and of our people. Private properties, city properties, state properties, national properties, and international properties are all muddled and huddled together, without being understood, and without any attempt, so far as we have seen, being made to separate, or to even define, them; and hence those properties and functions which return large revenues have been mostly seized by special acts, in city, state and nation, and used for the personal greed and aggrandizement of a non-producing class, until the unincorporated citizen has been reduced to abject vassalage, and even city, state and nation have been put under tribute to the lords of privileged legislation and are now robbed of their resources and defrauded of their revenues until they, with their unincorporated citizens, are actually beholden to the creatures of their own special enactments for the right to exist; and so it is that this United States is no longer a government of the people, by the people and for the people; but it is a government of the corporations, by the corporations, and for the corporations.

The incorporated companies, syndicates and trusts, to-day, control or own everything and everybody that are thought to be worth owning or controlling in the United States, and here is the condition that confronts us: "From the probate records of some of our Eastern States and from the impartial investigations of Mr. George K. Holmes of the United States Mortgage Census, it appears that a little group of under five thousand (5,000) millionaires own one-fifth ($\frac{1}{5}$) of the wealth of the country, and that one-eighth ($\frac{1}{8}$) of the population, including these millionaires, own about seven-eighths ($\frac{7}{8}$) of its wealth,



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while over half of the population possess nothing but a little cheap household furniture and perhaps a hundred dollars besides." This is a frightful picture for an American to contemplate, but it is not one-half as appalling as the facts of the case actually are, for the 21,000,000 of men and women who actually grow and fashion everything that add to the wealth of this nation, are so thoroughly set upon by landlords, transportation-lords and money-lords—are so down-trodden by rents, taxes, interests, fares, freightage, expressage and commissions, that 90 per cent. of their number stand within 48 hours of semi-starvation or charity—there are 4,000,000 of men and women tramping from place to place, or standing around idle, begging for work that they may not starve; there are 180,000 children forced from their plays and schools into the mines, factories and shops, that a few cents may be made to assist their parents to keep them in food and shelter; there are over 500,000 of our women forced by want and temptation to prostitution, that they may live; our almshouses, penitentiaries and asylums reek with their over-crowded inmates; and suicides, murders, arson and crime of every description are upon every hand encountered. These are a few of the results which come to the surface of the most monstrous system of centralization and confiscation that the world has ever been called to witness.

This is the condition—this is the crisis in the affairs of this people, and if there is not a change—a radical, a systematic and an early change—then the handwriting may be read upon the wall, and these United States will perish, as all nations have perished, which have allowed the cunning, unprincipled, plotting, non-producing few to monopolize the legislation of the nation so as to seize and confiscate, for their own selfish greed, the products of those who produce—which have permitted property to become more sacred than the labor which created the property—which have appreciated gold and have depreciated the people—which have created classes to enslave the masses—which have allowed the public functions and the public properties of the people in city, state, nation and international to be usurped in the interest of a few of the citizens.

There is no theory in this—it is history; and history em-

phasizes this instruction in the downfall of Egypt when 2 per cent of its people owned 97 per cent. of its wealth ; in Persia, when 1 per cent. of its inhabitants owned all the land ; in Babylon, when 2 per cent. of its citizens controlled all that was produced ; in Greece and Rome when 1,800 persons owned the then known world.

The little pamphlet, herewith started upon its mission of love and duty, simply shows the way to an equitable separation of properties, so that what is thine may be kept distinct and apart from what is mine, and so that both thine and mine may be separated from that of the city, state, nation and inter-nation. This simple and exact justice to individual, city, state and nation must be understood and practiced by our people before the foundation for a good and just government can be laid ; and until this is done "equal rights to all and special privileges to none" will be no more than it is now—a motto.

The key to "what is thine and what is mine," is first a home money based upon home labor employed at home, therefore the subject of money—its functions, its substitutes, and upon what and how to issue money—is treated with a view to throw some light into several dark places.

In the second place, all employments must *eventually* be given by the city, the state and the nation, for the man, or the woman who is dependent upon another man or woman for his, or for her employment, cannot be other than a wage slave—a low hireling with scarcely a soul to call his, or her own ; and all profit which goes for handlage, storage, exchange, etc., belongs to the city, or to the state, or to the nation, and should never be permitted to go to a man, or to a woman, or to a private corporation, or to a private copartnership, for if it does that man, woman, corporation or copartnership will use the advantages given to subvert the liberties and to seize the properties of those who are employed by him, or by her, or by it.

A. K. OWEN.

PROBLEMS OF THE HOUR

IN NINE BRIEF STUDIES

BY

ALBERT KIMSEY OWEN

THE EQUITIES IN PROPERTY

STUDY No. 1.

THIS is the way we apply the instruction to "render unto Cæsar the things that are Cæsar's," etc. We teach that all property shall be classed into five great divisions; and it must here be emphasized that in this will be found the ethics of property—the key to all lessons in social economics—the open sesame to the reformation which is to usher in the new civilization:

1. Private property—the home and all that is in it; the foot-lathe, sewing machine, kit of tools, carriage, horse, cow, bicycle, yacht, etc.—anything, in fact, that a person may produce, or use, or do for himself or herself.

2. Municipal property—the land and atmosphere which are needed for the uses of its citizens; municipal buildings, asylums, libraries, schools, institutes, etc.; the streets, bridges, public areas, tramways, docks, wharves, ferries, vessels, water, expressage, electric powers, telephones and lights, gas, commissary, manufactures, hotels, restaurants, markets, theatres, halls, meeting-houses; municipal insurance and money, and exchange, bank and clearing-house, etc.

3. The inter-municipal, or state property—the lands and atmosphere between municipalities; state buildings, asylums, institutes, schools, parks, reservations, etc.; railroads, canals,

bridges, ferries, vessels, telegraphs, telephones, mines, rivers, creeks, springs, lakes, seashores, woods, fish, game, birds, animals, etc., which are entirely within the state, and which are not incorporated within the limits of any city; state insurance and money, and exchange, bank, and clearing-house.

4. The inter-state, or national property—national buildings, parks, reservations, fisheries, asylums, institutions, etc.; highways, bridges, railroads, canals, vessels, rivers, ferries, telegraphs, telephones, expressages, mailage, etc., which are inter-state in extent and character; inter-state or national insurance and money, exchange, bank, and clearing-house, etc.

5. The inter-national, or world properties—the ocean, outside of the three-league limit, islands, arctic and antarctic regions, seals, mid-ocean fish, cables, steamers; inter-national arbitration and insurance, exchange, bank and clearing-house, etc.

We think that the separation of all properties into these five distinct and separate and inter-dependent classes will give equity in property, and that the equity in property will bring about the ethics of property, which is the moral side of the problem, and the only possible foundation for a perfect society to rest upon.

THE MONEY OF ACCOUNT.

STUDY No. 2.

The greatest of all money is the *money of account*. The *money of account* indicates all prices. The *money of account* has nothing to do with coins, or with gold and silver, more than with iron, copper, tin, wheat, corn, rice, land, etc. With the *money of account* we all—persons of all nationalities—adjust our swappings; i. e., we estimate the value of our services when we wish to exchange something which we have and which we do not need for something which we do not have and which we want.

The unit of the *money of account* of the United States is the

dollar; that of Mexico is the peso;* that of Spain is the *peseta*; that of England is the pound sterling; † that of France is the franc; ‡ that of Germany is the mark; that of Japan is the yen. When the respective peoples of these countries talk business they each use their respective *money of account* to fix their prices; but the settlements are made in a million-and-one ways, and coins are used, at most, only for counters in small retail transactions. Coins are of no more use in themselves than yardsticks are of use in themselves. What we all struggle for in this world of ours is for the services and for the finished service products of each other.

Here is an instance of how the *money of account* is used, and where coins or notes are not thought of. Jones is a Kansas farmer. He meets Smith and says: "Smith, I have thought the matter over, and I will take 50 of your hogs. What is your lowest price?" "Well, Jones, I guess that those hogs are worth about five-twenty-five a head in the pen." "All right, Smith, I will take them at that price, and will pay you in that carriage of mine, which your wife wants at sixty-two-twenty-five, and in those eight acres of swamp land over by your woods, at twenty-five dollars an acre." "It is a bargain, Jones, you make out the deed of transfer, bring over the carriage and take the hogs."

* The money of account of Mexico in fact is the real, medio, quartillo and tlaco, in spite of the law which forbids such coins to be used.

In England the guinea is used in accounts, but there is no such coin to correspond with it.

The Roman sesterius was like our "bit," a money of account, having no coin to represent its value.

The Turkish piaster is a money of account, there being no piaster coin.

The rei of Brazil is a money of account, no piece of that denomination being coined. Ten thousand reis equal \$5.25.

The scheme for Continental coinage proposed by Robert Morris provided the following scale: "Ten quarters make one penny, ten pence make one bit, ten bits make one dollar, and ten dollars make one crown."

† A pound sterling is just what it says—"a pound sterling of silver," yet did any one ever see a silver coin one pound in weight?

‡ In 1803, France passed a law which reads as follows: "Five grains of silver, nine-tenths fine, constitute the monetary unit which retains the name of franc."

Now, here was a business agreed upon, as millions of transactions are made every day by all classes and conditions of people, in their respective *money of account*, and a settlement, just and agreeable to both parties concerned, was effected, and no coin, bills, notes, or any other promises to pay were thought of in the transaction.

And let me here emphasize that money, whether it is gold coin, bank notes or treasury paper money, is at best only a promise to pay, for service and finished labor products are paid for only with service and finished labor products. Therefore it is the *money of account* that our legislators should study and not the prices of metals.

The gentlemen at Washington worse than waste their time and confuse themselves and confound those who undertake to follow them when they try to do the 16 to 1 puzzle by juggling with 25.8 grains of gold nine-tenths fine and 412.5 grains of silver nine-tenths fine, for it is probable that 99 per cent. of our public men, editors and speakers, who monkey with the money problem in the 16 to 1 ratio, never have had the opportunity to study money, its functions and its substitutes, free from the influences of bankers, whose business in life depends upon keeping the masses ignorant of the secrets of their craft. This secret is to attack and to destroy anything and everything which in any way issues to interfere with their monopoly of the current credits of the people.

THE WORLD'S MONEY.

STUDY NO 3.

It is asked, "What is the world's money?" Strictly speaking there is no such thing. There is no common money of account, or any international coin or note, used between nations. Letters of credit and bills of exchange are used by travelers and by merchants respectively, in traveling and buying in foreign countries. International trade is the swapping of commodities, and the balance is paid, not in money, but in one or more commodities agreed upon by the traders. Between England and the United States the balance is paid in gold when not otherwise

specified in the contract—not in gold coin, but in gold at its bullion value, and that value is fixed by the government of Great Britain, the United States, France and Germany.

When a person goes from the United States to Europe, he does not take gold coin or gold bullion; he takes a letter of credit from one banker to another, for \$500 or \$1,000, as the case may be, and when he reaches England he presents his letter of credit and is given credit to that amount, reckoned in the money of account of England. The English banker does not ask or care how the traveler established his credit in America. It is not of any importance whether the credit was obtained by the deposit of gold dust, guano, copper, tin, land, mortgages, railway stocks or other collaterals. The fact is shown by the letter of credit that the holder has established in America, credit to that amount, and therefore he is credited in England, France, Germany or elsewhere, to that amount. Hence, credit is the world's money; is the ways and means by which foreigners pay their bills while traveling.

Foreign trade is simply swapping commodities* —never exchanging coins as coins. Gold is sent to and fro, between the United States and Europe, at its bullion value only; the United States and Europe pay balances in Asia, in Mexico and in South and Central America with silver; but as elsewhere

* "The truth is," said, Sir William Vernon Harcourt, in the British Cabinet meeting of March 17, 1896, "*we are paid not in gold, but in goods.*" It is out of this merchandise that our people make their living, and now it is expected of us that we shall go around the world begging that we shall receive less merchandise for our gold."

† "The United States is the greatest producer of silver in the world and should fix its price. In 1893 the United States produced \$77,575,700 of silver, Great Britain but \$327,700; and yet the United States allows England to fix the price on silver; and this, too, when she has to have \$50,000,000 worth of silver or lose her prestige in the markets of the Orient. Is there a man in Europe, or America, who would permit a *forced buyer* to fix the price on a commodity of which he produced enough to control the market? The Americans produced in 1893, \$160,317,400 of silver; all Europe but \$19,155,100 and yet the Americans permit Europe to dictate the price for which it is to be sold, when Europe has to have \$32,000,000 to supply her coinage alone. Could anything reflect more than this against the business capacity of the United States.

it is by the offsetting of commodities between these countries which settle all of their accounts and coins as coins play no part in the transactions.

Let us repeat we do not pay our foreign debts in gold ; we pay them in products of our fields and mills. For the last twenty-three years the balance of trade has been in our favor every year excepting five.†

England is our principal creditor. In the year 1894 we exported \$422,000,000 worth of merchandise, and imported from her only \$108,000,000 worth, leaving a balance in our favor of over \$300,000,000. This immense balance is what we pay our debts with, and not with gold as some "gold-bugs" would have us believe.

"What constitutes the wealth of the nation? Our lands, buildings, machinery, tools, stock of goods and the quantity of people ready to work. Money is nothing but an incident. For instance, about \$20,000,000,000 worth of goods travel to and fro between nations in the course of the year. Do you suppose that \$20,000,000,000 also travels to and fro every year to pay for those goods? Of course not. About \$10,000,000,000 of these goods pays for the other \$10,000,000,000. Not much over \$500,000,000 gold and silver bullion, at the merchandise price, travels to and fro between nations in the course of the year. There is no such a thing as money in international commerce. It is not needed."

WHAT IS A DOLLAR?

STUDY No. 4.

Probably not one in a thousand average men can answer the simple question: "What is a dollar?" The boy when asked, "What is water?" looked amazed, was inclined to be offended at being questioned upon such a simple subject; but bold in his ignorance, answered, "Why water is water." And likewise those legislators of ours at Washington use such gibberish in talking of money as "unit of value," "honest money," "standard of value," "eighty-cent dollar," etc., when the fact is that there never was or can be either a "unit" or "standard of value," any more than there can be a unit or standard of temperature. A

thermometer may indicate high or low temperature, but it could hardly be called a "unit or a standard of heat," nor was there ever a dollar that was not worth one hundred cents, any more than there could have existed a gallon containing less than four quarts; and, so far as our acquaintance goes with the various currencies of the world, there has never been an "honest" money, except it be that which was issued by Hon. de Lisle Brock, the governor of Guernsey, in payment for the labor to build a market house in the town of St. Peters.

There can be a "standard for payments" and a "unit of payment," but there cannot be a "standard" or a "unit" of value, any more than there can be a bushel measure without bottom and sides. The "greenback" dollar was never worth less than 100 cents. The "greenback" dollar was the patriotic dollar *—was the standard dollar which did current duty during our civil war. The gold dollar † during the war, was not a "dollar" because it was not current—it was a "commodity" and was sold like so much wheat and cotton, by brokers, to our importers—to the highest bidder—because these merchants had to have the gold coin to pay their duties at the custom-house.

* Let a war cloud the size of a man's hand appear above the horizon of any nation, and their gold and silver hides away as quickly as rats before a terrier.

† Gold as a coin is worse than useless. No people in a great emergency ever found a faithful ally in gold. It is the most cowardly and treacherous of all metals. It makes no treaty it does not break. It has no friend it does not sooner or later betray. Armies and navies are not maintained by gold. In times of panic and calamity, shipwreck and disaster, it becomes an enemy more potent than the foe in the field; but when the battle is won and peace has been secured, "gold reappears and claims the fruit of victory." In our own civil war, it is doubtful if the gold of New York and London did not work greater injury than the powder and lead and iron of the rebels. It was the most invincible enemy of the public credit. Gold paid no soldier or sailor. It refused the national obligations. It was worth most when our fortunes were lowest. Every defeat gave it increased value. It was in open alliance with our enemies the world over, and all its energies were worked for our destruction. But as usual, when danger had been averted and victory secured, gold swaggered to the front and asserted its supremacy.—Ex-Senator John J. Ingalls.

In Mexico during the Viceroy's, the early Mexicans had the same experience with "chickens." The natives had to pay "two reals and a chicken" for taxes, and if you will read Mexican history, you will see how those poor Indians, who did not know how to raise "chickens," had to bid against each other to get the necessary "chicken" from the tax gatherers, who cornered and sold the chickens. That chicken legal tender history is full of misery and instruction. Read it, and you will have a better idea of how our "gold dollar" was sold as high as \$2.85. It is quite evident that the "greenback" could never have been at a discount of \$1.85. for, if it was, will you please calculate what a dinner cost in the United States during the middle sixties, when a person tendered a "greenback" dollar for a good dinner and received fifty cents in change, at the time that the said dollar, according to the rule of discount, was worth \$1.85 less than nothing? It will not do to speak about gold cents and coins. There never was a gold cent. The United States cents have all been copper. "The demand notes," or the first greenbacks, were receivable for customs dues, and they always kept at the same premium as gold coin because they had equal uses; and to-day we see that the United States treasury note, the "Bland dollar" and the gold dollar are all equal in payments, because they are equal before the law in acceptability, and because there are just as many finished products behind one as behind the other. If the people would like to see how much preciousness, "intrinsic value" and "money-of-the-world value" there is in a "gold dollar," all they have to do is to coin a "copper dollar" and have Congress to make it alone receivable for all public dues to the United States; and then watch and see how our importers and taxpayers would scramble for the "copper dollar" and pay two and three gold dollars for one "copper dollar," if the "copper dollars" were few and could be cornered by a clique of speculators.

This goes to show that *law* * *says what shall be money, but that it is the use of money which gives money its value.*

* "All the money in the world is the result of a positive law, and there will not be and never has been any such thing as natural money."
—Senator Henry M. Teller.

We are opposed to making a dollar in itself valuable for the same reason that it would, doubtless, be thought foolish for a merchant to be compelled to measure dollar silk with a yardstick worth just \$1 in gold ; and 10 cent calico with a yardstick worth just 10 cents in silver ; and yet this would be quite as sensible as having a dollar's worth of gold in our dollar, and 10 cents worth of silver in our 10 cent pieces to express prices. A dollar and a ten cent price are simply counters to show the extent of the service the holder has given to society, and the extent to which society is indebted to the holder in return. If it is right to have "a dollar" in itself worth one dollar, then, to be just, a mortgage on land should be engraved on gold, or silver plate, equal in value to the land mortgaged.

The law says what shall be money, but it is the finished labor products which are back of the money and which stand ready to redeem the money that gives money its value. If there is not labor to redeem the money, money is of no value ; no matter if the gold dollar should have a pound of gold in it and "the silver dollar should be as large as a cart-wheel." The Mexican Adobe dollar contains 417.25 grains of silver, nine-tenths fine, but as Mexico is deficient in diversified home industries her dollar is made the plaything of the exchange scalpers ; and just at this time a "Bland dollar," which contains only 412.50 grains of silver, nine-tenths fine, would almost buy two of Mexico's heavier and richer-in-itself-dollars ; ‡ and the reason is that "the Bland dollar" has all of the wonderful varieties of assorted and useful finished articles in the United States ready to redeem it. This one fact should be sufficient to show the farce of the claim made by the gold-bugs that "it is the inherent or intrinsic value of coins which gives them their value."

Again, in one hundred five-cent nickel pieces there are only seventy-five cents worth of nickel, and yet these one hundred five-cent nickel pieces will buy just as much as a five-dollar gold piece anywhere in the United States, and not one person

|| A person can go into one of the restaurants in Mexico City, get a 50 cent dinner, hand a "Bland dollar" in payment and receive \$1.45 in change in Mexican silver.

in ten million who use nickel, gold and silver coin, ever know, or ever care, as to what their respective intrinsic values are. No one wants the coins for themselves : but every person does want the articles for which the coins can be redeemed.

LET US COIN LABOR, NOT GOLD AND SILVER.

STUDY No. 5.

"Labor is superior to capital, and deserves much the higher consideration."—Abraham Lincoln.

"Without labor there would be no government and no leading class and nothing to preserve."—U. S. Grant.

"All history shows that the welfare of the working classes does not depend upon the price of bread but upon the demand for their labor."—Dr. Aendt.

We believe that each municipality should move at once to employ its citizens—should establish an employment bureau and set the idle people to work upon fixed plans, to purify neglected places, to improve public conveniences and to extend its environments. Every city should have its own truck gardens, farms and factories, etc., if for no other purpose than to employ every class and condition of its own citizens who are not otherwise occupied. The one great lesson which our national legislators and our city magistrates have yet to learn is, that it is not gold and silver, but it is labor that constitutes the most precious and, at the same time, the most perishable commodity in a city and in a nation. Labor is the jewel pendent of every community. It is labor alone upon which every city and nation depend; and just in the proportion and with the intelligence that labor is employed, fostered and diversified, do nations and cities advance to power and to influence; and it is diversified home industries alone that give to money its value. Therefore to permit labor to be lost, for want of direction and for want of a place to deposit, is the greatest possible waste of wealth that rulers can be guilty of. The time is nigh when to neglect to encourage and to husband the work of the citizens, a mayor will

be thought to have committed a greater wrong against the city and to have betrayed his trusteeship more than if he had robbed the city's treasury. The law or laws which will be made to employ, utilize and protect labor, will be the law or laws which will solve, the soonest and the best, the money, the tariff, and other problems which now agitate governments to their downfall.

Why should not every city * have an *employment bureau or a labor depository*; or, as it were, a municipal pawnshop, where any person who has a day's work to give, can go and receive

* "There is one solution of the question of the unemployed and only one. It is employment by the State or municipality in such a way that each man at his own trade or calling may produce that which will furnish him with a maintenance. Ohio has already an institution at Columbus—the penitentiary—which is like a busy manufacturing city. The State furnishes the buildings and the ground rent free, and largely the machinery. The product of the labor of the convicts provides partly or wholly for their living. The state can just as readily build factories outside the prison walls and give its honest citizens a chance to earn a living. Why would Ohio make special pets of its convicted criminals and compel the honest citizens to submit to hunger or beg the privilege of honest work?"

"Massachusetts has established a tramp farm, consisting of 2,000 acres of cheap land, which is both boggy and rocky, but improvable and capable of being made profitable for agricultural purposes. To this farm every tramp legally convicted of vagrancy will be sent for two years. He will be employed in building roads and houses on the farm; in digging drains, in clearing, plowing, sowing, reaping, and all the labor of a farm that has to be created from a wilderness."

"The mayor of the second arrondissement of Paris has undertaken an interesting experiment. For some time he has had a free employment registry, which is said to have proved of great public utility. What he purposes to do now is to publish lists of persons seeking situations and employers seeking assistants. These lists are to be exhibited in suitable frames in at least three frequented public places. No charges will be made."

"The city government of Stuttgart, Germany, has established a bureau to register applicants for work without expense to workmen. It is estimated that the scheme will cost the city not over \$1,250 a year."

"In 1895, Mississippi bought three tracts of land and put its 250 convicts to work under state supervision. The result was 3,200 bales of cotton of 500 pounds each; 50,000 bushels of corn; 1,100 tons of hay; 45,000 pounds of pork; 55 barrels of molasses; 2,200 bushels of pears, all of which sold for \$165,000. The cost of the land and expenses of the year for farming utensils, live stock, etc., amounted to \$96,000, leaving a profit of \$70,000 to the state.

orders where to work under the direction of the city, and in this way can deposit his or her crude and skilled labor, as the case may be, and get credited for the same on the city's books.

There is not a city in this world that is not in need of all kind of services to put it in order, so that a decent person can have a decent place in which to live. The idle throngs, the street venders, and those who are engaged in disreputable occupations in all our cities, would be worth more to these cities than a thousand gold mines, if the city magistrates were only sufficiently alert to seize and to store the wealth they have at their command, by devising plans to conserve, to deposit and to coin it into serviceable form. What is most wanted is that the cities should clean their old and open new streets, ornament their parks, reclaim waste districts, regulate and beautify their suburbs, and have some order and fixed plan to put every family into its own house; and they can either pay for the labor with *city warrants*, made receiveable for city dues, or, (what is better) they can open books at the *city's employment bureau* and *credit* every workman with what he or she does, and they can open books at the *city's commissary* and *debit* him or her with what he or she consumes.

The Venetians adopted this latter plan—the *credit and debit plan*—when they laid the foundations for their republic, which ruled the commercial world during nearly three centuries; and the credits upon the books of the city of Venice, which, by the way, were kept in a money of account * (as there were not any bills or coins to correspond with them), were always at a premium over the famous gold ducats of that republic.

By this plan every city would have its own distinct, local, and independent ways and means of payments, and would be absolutely indifferent to whether all the gold and silver of the world were in Europe, or at the bottom of the deepest sea.

The greatest lesson of the crisis of 1893-'94 is that the cities †

* "There were three series of Roman coins, the Republican, the family and the Imperial coins. The first were issued by the State mints, the second by families which had purchased the right of making coins; the third were issued by the Emperors. * Almost every Roman city in Italy and the colonies had and exercised the right of coining money of its own."

in the United States were driven by the force of circumstances to look more than ever into some way to provide the ways and means free from the issuing of bonds and making themselves dependent upon bankers; and this must result sooner or later in every city having its own ways and means of payments, separate and distinct from what might be used elsewhere; for as long as nations and cities adopt the English bank system of inflated credits they will be made jumping-jacks every time the bankers wish to contract credits and to foreclose mortgages.

The following queries were made by the justly celebrated Bishop Berkley, in his "Querist," written in 1770, at Cloyne, Ireland: "134 is the celebrated query! Whether if there was a wall of brass a thousand cubits high surrounding us, our natives might not nevertheless live cleanly and comfortably, till the land and reap the fruits thereof?

"114. Whether a nation might not have within itself, real wealth sufficient to give its inhabitants power and distinction without the help of gold and silver?

"35. Whether power to command the industry of others be not real wealth? And whether money be not in truth tickets or tokens for recording and conveying such power, and whether it be of consequence what material the tickets are made of."

† The Times-Democrat, August 20, 1894: The business of New Orleans, as we noted some time ago, has adapted itself thoroughly to the certified check system, first tried in New York, and afterwards adopted by the banks here. What the banks must do to help the planters is to issue certificates of deposit of \$5, \$10 and \$20. The men can then be paid in these as though in currency, and as the checks will be taken at the plantation stores where most of the employes or tenants deal, they can easily be placed in circulation at once. The planters can then pay off their men, and the men can get coffee, flour, clothing, or whatever else they may require. In this way, indeed, a new currency will be created, that will help us over the present trouble and enable us to harvest the present crops without delay of any kind."

In Cincinnati, we are told that the street car companies are issuing 5-cent tickets made of aluminum, and these coins are found to be so convenient that they are freely circulated for 5-cent pieces in the city, and, in Kalamazoo, Michigan, the same kind of currency is being used. But the lesson, of all others, which these panicky times have given us, is the plan devised by Hon. Carter Harrison, Mayor of Chicago. Here it is.

"CHICAGO, Illinois, August 25, 1894.—Mayor Harrison has a plan

A CURRENT MONEY OF THE REALM.

STUDY No. 6.

Let us have a Home Money for the Home People, Based upon, say Twenty of the Staple Products of the Nation, and made Automatic with the Industries of the People.

Let us fix the price of breadstuffs, iron, copper, cotton and coal, as we used to fix the price of silver, and as we now fix the price of gold.

Certainly! let the government buy silver and gold; but why should either gold or silver be coined when the fact is that the people do not use either gold or silver coin to any great extent, comparatively, in their home exchanges, and never in their foreign payments; for has it not again and again been proven that about 97½ per cent of our domestic payments are

to relieve the great stringency existing here in currency. *It is to issue city warrants for circulation as money in the city of Chicago.* The Mayor said to-day: "A week ago a bank president told me he feared there would be in Chicago a currency famine so great that matters would be far worse than they now are. Country banks which ought to have large deposits in Chicago, have withdrawn them. I was asked what could be done. I made the proposition, that if the banks, the newspapers, the business men and the people would assist me, I could give to the business men of Chicago somewhere in the neighborhood of 1,000,000 of currency a month, without making a dollar of it of less value than a United States treasury note. I proposed that with the consent of the business men, the people and the banks, *I would issue small warrants of \$5 value, if possible; if not, \$10 value, and pay them all to the laborers of the city, salaried men and others who work for the city.* That is if we owe a contractor \$10,000, instead of giving him one warrant for that amount, I will issue it in \$5 warrants. These he can pay to his men, the men give them to their grocers; they will deposit them in the banks; the banks will use them to pay clearing house differences, and they will be paid out as money."

made by means of bank checks and other paper substitutes for money, that foreign payments are made by offsetting one commodity with another, and that the balances are paid with gold or silver bullion, but never with gold or silver coin as coin.

Again, why should special protection be given by our government to gold and silver bullion over other products? What have gold and silver miners ever done that their ores should be coined into legal tenders to the exclusion of all other products—the products of all other producers made dependent upon their products? Did not the elder Peel, in 1816, when England adopted a gold basis, say: “You have doubled my fortune, but you have ruined the people?” Has not our own Daniel Webster put himself on record to the effect that: “When all our paper money is made payable in specie on demand, it will prove the most certain means that can be used to fertilize the rich man’s field by the sweat of the poor man’s brow;” and has not Samuel Calvin told us that: “The whole theory of specie basis is a fraud, and has entailed upon the people of Great Britain and the United States an amount of want and wickedness and misery no pen can describe, no figure estimate.”

It is unjust—it is a monstrous wrong on the part of any government to make the products of one or two classes of producers legal tender to seize the products of all other producers; and this fact is beginning to dawn upon those who are giving thought to the subject of money—its functions, its substitutes

Again, iron, copper, nickel, lead and tin are a million times more valuable to society than gold and silver ever were, or ever can be. In fact, gold is of the least use of all, being actually of little account except to plug teeth; and even in this particular use or monopoly, which gold has enjoyed, aluminium is now superseding it. Garrison said: “Relegate gold to the rank of commodities, where it belongs. In China gold and silver are merely commodities, whose price is regulated by the laws of supply and demand.”

Alexander Hamilton, in advocating the Mint act of 1792 assigned two reasons for not attaching the unit of money exclusively to one metal, the first being that to do so would “destroy the office and character of one of them as money and re-

duce it to the situation of a mere merchandise;" and the second, that "to annul the use of either of the metals as money is to abridge the quantity of the circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full with the evils of a scanty circulation."

"The first Congress of the United States (act of April 2, 1792), providing for the coinage of silver dollars, or units, each to be of the value of a Spanish milled dollar as the same is now current, and to contain 371.25 grains of pure silver, and fractional pieces of the same fineness and proportional weight," and an eagle or double eagle, a half and a quarter eagle, and the coins, each and several, were to be of the value of so many dollars, or units; and the dollar, or unit, is 371.25 grains of pure silver. The conformity of gold to silver, by the same statute, at 15 to 1, made the gold coins to be multiples of 24.75 grains of gold—a proportion which has since been altered to preserve the conformity. This simply showed the amount of gold which at the time should be, *not a dollar, but of the value of a dollar.*"

Great Britain, in 1844, fixed the price of one ounce of pure gold at £3 17s, 9d, and it has remained so at her mints ever since. This is the reason that the price of gold bullion never varies when near an English mint. Between April 2, 1792, and February 12, 1873, silver and gold bullion were received at the United States treasury at the ratio, at the first of 15 to 1, and afterward at 16 to 1, and the prices of these bullions never varied a fraction of a cent at the United States mint from these ratios; but when the free coinage act in regard to silver was tampered with, February 12, 1873, the price of silver bullion was no longer protected by the United States, and it fell in sympathy with other commodities as compared with the price of gold bullion, which alone was protected in its price by the United States. Now, as fixity of price for raw materials is essential to safe and intelligent calculation in contracts for articles of finished manufacture, why should not the United States advertise on the first day of January, every year, that on and after the first day of July next and during

the following fiscal year, it will pay a fixed price, on delivery at such and such places, per ounce for so many thousand ounces of silver; per pound for so many thousand pounds of nickel, copper, platinum, iridium, aluminum; a fixed price per ton for so many million tons of iron, lead, tin and coal; a fixed price per bushel for so many bushels of wheat, corn, barley, rice and beans; and a fixed price per bale for so many thousand bales of cotton, hemp, flax and wool. All of these are staple articles which are used by our people, one way and another, in our utilities and in our arts every working hour in every business day of the year, and the amount and quantity of each necessary to supply our home industries, from year to year, can readily be approximated, and the price of each can be fixed by the government, for a start, at the average price for which each of these products has been sold during the last ten years.

France controls the production and sale of its tobacco; so does Turkey, Spain and Prussia. Russia owns and sells its malachite: Great Britain manufactures and sells all the salt used in India; in Prussia the price of medicine is regulated by the state, and a new price list is issued annually; the soap industry in Holland now brings a revenue of £150,000 a year to the government; and in the United States the production and price of oil, sugar, wheat, flour, beef, pork, coffins, etc., etc., are fixed and unfixed by trusts for the private revenues of private citizens; therefore, the cities, the states and the nation must step in and fix the prices and production of the staple articles of food and manufacture, or allow themselves to be set aside for, by and in the interest of specially privileged classes who are fast enslaving the masses; for has not our Attorney General, in his defense of the trusts, said: "Property is monopoly."

The plan here suggested is that the United States government fix the quantity it will buy* and the price it will pay for

* William McKinley, immediately after the adjournment of the Fifty-first Congress, acceded to the request of the editor of the North American Review, and said that the passage of the Sherman Silver

say each of the twenty leading staple productions of the United States; and will, on receipt of any one of the same, at the depositories to be established, issue in payment treasury paper money, that will be carefully engraved and guardedly issued, and made receivable in payment for all dues to the United States, just as the Hamburg Bank issues its currency based upon silver bullion. This money, therefore, could not be issued except for full value received and deposited, and when the government sold any of these deposits for the price paid, this money would come back to the source of its issue and could be used to buy more bar gold, bar silver, pig iron and wheat bushels, etc.; or, like the postage stamp, having done its duty once, it could be destroyed.

For subsidiary coins, aluminum would be best, for with an alloy of copper, it is light, durable, pretty and comparatively inexpensive but there should be issued, also, postal currency, in paper, for five, ten, twenty-five and fifty cents to facilitate persons in sending money in letters.

The fixing of the prices of these staple products, from year to year, by the government, would not necessarily bring but a small part of these products to the depositories, or into the care, in any way of the government, any more than the fixing of the prices for gold and silver has brought the gold and silver needed in the arts to the vaults of our treasury; but it would, probably,

Purchase law was a triumph, and in these words: "Among the more important pieces of legislation accomplished is the Silver bill, which provides for *the purchase of silver bullion and the issue of Treasury notes thereon*. It directs the Secretary of the Treasury to purchase from time to time silver bullion to the aggregate amount of 4,500,000 ounces monthly, or so much thereof as may be offered in each month at the market price, not exceeding \$1 for 372.55 grains of pure silver, and to issue in payment for the purchases Treasury notes of the United States in denominations not less than \$1 nor more than \$1,000 which notes are redeemable in silver. This law will utilize every ounce of the silver product of the country and more—utilize it for money and turn it into channels of trade and avenues of business. As a result, silver is nearer parity with gold to-day than it has been for the last fifteen or eighteen years. The circulating medium is increased and made absolutely safe, with all the money of the country interchange-

bring enough to supply a sufficient amount of current money of the realm to encourage our great industries to take new life and new hope.

What an impetus such an enactment would give to all classes of home industries, and what a stable, plentiful, elastic and excellent currency this would make for the whole people. Again, what a cause for congratulation it would be to have these great leading staple products of the nation taken out from the ruinous influences of the "Produce Exchanges"—from these gambling dens of our metropolitan cities—and to have their prices fixed, from one year to another, so that our leading producers and large manufacturers could with a certainty estimate the cost of the same ahead. It is a blow to honest industry that business in this stage of our boasted civilization is made an uncertainty and a gamble, just because governments insist that they are created only to tax the people, to declare war and to legislate for special and private monopolies.

There is not anything in the constitution against this plan. However, some moss-back always says that it is unconstitutional whenever a suggestion is made to liberate black chattel slaves, to relieve white wage slaves, or to advance, in any way, our people toward the light and the better way. However, the constitution does not seem to prevent our secretary of the treasury from coining a dollar when 23.22 grains of pure gold are offered; nor did it stop him from dickering for four millions and more ounces of silver, per month, some two years ago, in the open market; or from paying out "greenbacks," during the sixties, for food supplies, clothing and war materials, ships, salaries, etc., and it may be well for us to remember, in con-

able with gold and silver and redeemable in either or both of these metals."

It must be understood that the Sherman Silver Purchase law did not fix the price of silver, but on the contrary our Secretary of the Treasury went into the market as a "bear" and did what he could to get the silver as low in price as possible before he purchased it. The proposition we make is that the price of silver be fixed in common with other leading commodities of United States production, and that the price shall be maintained from year to year.

A. K. O.

nection with what is constitutional, and with what is not constitutional that our good, old, sterling patriot and philosopher, Peter Cooper, has told us that: "No vested rights can stand in the face of the public welfare; common and statute law recognizes this principle. Hence, all vested rights can be repealed by the law-making power that conferred them. Under this principle private property can be taken for public use, and all corporate rights can be abolished that stand in the way of the public welfare."

What must we think of a government that consents to buy two comparatively worthless metals—gold and silver—which are mostly used to make teapots, goblets, spoons, watch cases, ear and finger rings and such like non-essentials, and yet would contend that it had constitutional grounds not to base its current money of the realm upon such important and useful metals as iron, nickel, tin, lead and aluminum?

PRICES.

STUDY No 7.

RAW MATERIAL, INCLUDING LAND AND LABOR.

Must be Separated from Manufactured Articles, in which a Good Dinner is Included, before Prices can be Understood.

Frequently we read letters advocating United States treasury money, which contain quotations from the teachings of such English "free trade" and "bank credit despotism" teachers as Mill and Walker. Recently the United States Monetary Commission of 1877 has been brought into their support—which is simply confusion worse confounded. Please, therefore, publish the selections as given below, and insert a clipping from my scrap-book in answer to the same:

"Other things being equal, the general average of prices is determined by the quantity of currency in circulation, and prices advance or recede as that is increased or diminished. . . . The general prices of all objects of value will ever

depend upon the quantity of currency existing in the country in which they are produced and sold. This is an economic law as certain as any of the laws of Nature."—Walker's Science of Wealth, p. 221.

"If the whole money in circulation was doubled, prices would be doubled. If it was only increased one-fourth, prices would rise one-fourth."—Mill, Prin. Pol. Economy, vol. II., p. 29.

"General prosperity and a general fall in prices never did and never can coexist."—P. 15, Vol. I., Dept. U. S. Mon. Com., 1877.

A. K. Owen published the following in *The Delaware County Democrat*, 1875: In discussing the fall and rise of prices relative to a scarcity or abundance of current money, there is not a sufficient distinction made between the price of raw material and that of the manufactured article. In fact, few writers or public speakers ever make any distinction whatever; and, hence speaking of values, prices, etc., they rather add to the complications of the discussion than simplify them. For instance: One writer maintains that plenty of money, at low interest, will make prices advance, and he is right if he has reference to raw material, in which labor and land are included; and a stump orator argues, and a simple, easy-going editor publishes, that plenty of money, at a low rate of interest, will make prices fall, and they are equally correct in their statement if they have reference to manufactured articles. Hence, we maintain that most persons who undertake to inform the public, labor, not always intentionally, yet still they labor to confuse "my intelligent readers."

The political economists of the inductive school maintain that a current money of the realm, made interconvertible with the nation's bonds at a low rate of interest, and issued in harmony with the people's industries, will advance the price of raw materials, in which are included labor and land, and will lessen the price of manufactured articles of all kind. Thus, while the laborer can command more money for his services, the landowner more money for his land, and the cotton, wool, wheat

and potato grower more money for his raw product, these and all may command the manufactured necessities and luxuries of life, including a good dinner, for less money, i. e., that the price of the raw material will approximate closer to the price of the manufactured article. If it were otherwise, it would not be harmony—hence, could not be upon the basis of a true principle. Nature's laws invariably act in harmony. Mankind approximate to just actions as they approach harmony of interests.

As raw material, in which labor and land are included, approximate in price to the price of manufactured articles, civilization advances, and the reverse, i. e., when raw materials, in which are included land and labor, fall in price, and the price of manufactured articles do not fall in the same proportion, then we retrograde towards barbarism. A ton of rags in the Rocky Mountains is not worth a quire of paper; but when brought to the Missouri River—where I assume there is a paper mill—a ton of rags will buy several quires of paper.

Under nominal conditions, land, labor and raw material increase in value as they near population and diversified industries, and the articles manufactured by them become cheaper and better at those times when land, labor and raw material cost the most. The reverse of such conditions is barbarism.

The deductive school of political economy says: "The height of usefulness and the essential quality for a statesman is to 'look out for number one,' and thereby to let the one thousand millions of other human beings upon this earth get over Jordan's road the best they may have the chance to do." Inductive philosophy teaches us that in making people prosperous and consequently happy and useful, we take the positive, and certainly the more laudable way to secure our own interests; i. e., to better the condition of the masses is the basis of our advancement to intellectual, moral and realized civilization.

We ask that our remarks be well studied before commented upon.

Library of Congress.
Owen. Problems of the hour.

PROTECTIVE TARIFF AND PATENT LAWS.

STUDY No. 8.

(From the "Philadelphia Enquirer," July 10, 1875.)

AN INTERVIEW WITH A. K. OWEN, C. E., PROJECTOR OF THE
AUSTIN-TOPOLOBAMPO PACIFIC.

REPORTER.—"The one or two simple little laws, almost unknown because of their simplicity, which alone rescue us from savageism," which you refer to in your "Memorial" to Congress, which are they?

MR. OWEN.—They are the tariff and patent laws. The former protects our industries from the wealth and monopoly of foreigners—more particularly from the English, who, by means of an overgrown and inflated system of bank-credit, are enabled to centralize immense power in the hands of a few men. The latter protects us individually, in our inventions, from the wealth and monopoly of our own countrymen. What one does for us as a nation, the other accomplishes for us as individuals. The patent law is the complement to the tariff, and they together preserve us from barbarism because they alone protect us in our individuality. Germany is superior to the United States in science, England in literature, and France in art; but America is greater than either, because among her forty millions of people, there are six millions who have independent homes.* This has been secured by the laws which encourage and foster nationality and individuality, of which the patent and the tariff are the basis. Without these simple little laws, as imperfect and as much tampered with as they are, we would be a

* This is not the case now, however, with the United States. In 1877 there were less than 500,000 unmortgaged homes here; while in France there were over 7,500,000.

mere tribe of savages, if not with rings in our noses, at least scanty of clothes. And allow me to add, apropos to this question, that the instruction was to "subdue the earth," but men have put forth their mightiest energies to embarrass and to enslave each other. Isolated individuals scattered over this earth's surface are inventing and perfecting labor-saving machines, and their efforts are daily emancipating labor from drudgery and elevating mankind to higher duties, while priests, kings, congressmen and soldiers are combining church, state, law and powder to make war, to destroy the works and to enslave the industries of their respective peoples, and the record of the efforts of these priests, kings, congressmen and soldiers, and their combined efforts to destroy individuality and science, and the resistance which this individuality and science offer to their injustice, make up history, ancient and modern.

R.—My object to-day is to question you upon money. Is it your opinion that gold is useless as a coin?

O.—Yes; not only useless but detrimental to commerce.

Gold as a legal tender coin is the greatest instrument of torture the world has ever experienced. The *Auto-da-fe* and the body-puller of the Spanish inquisition, the car of Juggernaut, the knife of the Celtic Druid, and the obsidian of the Aztec priest, who sacrificed annually 39,000 of the best formed and most talented Mexicans, were but playthings in comparison to gold coin as legal tender, and this simply because gold coin has been so scarce and at so high a price and interest as to have denied to the masses the right to labor or to enjoy the wealth which their labor has produced.

R.—Is not gold coin a perfect money?

O.—No, sir. Gold coin can never be even a good money. It has heretofore been, at best, but a commodity, and has been and is still sold in the public market to the highest bidder. The Government, by making gold coin a legal tender, recognizes one class of labor to the disfranchisement of other occupations; or, what is the same thing, it subsidizes other industries to the worst class of adventurers.

R.—But gold is the most precious metal, and, therefore, large values may be pressed into the most convenient bulk.

O.—Pardon me, there are eight metals—indium, vanadium, ruthenium, rhodium, platinum, uranium, osmium and irridium—more valuable than gold. When one substance or commodity is exchanged for another, it is barter. Gold is a convenient metal for barter, but should not be stamped otherwise than to specify its weight and carat. It would then go into the arts, its proper place, for there it is useful. Suppose a modern Fagin should chance to stumble upon a mass of gold a hundred yards square, which is likely to occur when Mexico is looked over, would not this wretch subsidize the labor of the world to his foul purposes? Is this state of society civilization or barbarism? Now, if the government were to issue a legal tender for services rendered and material employed, this adventurous and degraded class, who spend their lives disgraceful to themselves and an injury to others, would never obtain a position superior to the most worthy, industrious and well-to-do-citizens, as they now frequently do.

R.—But gold has an intrinsic value which paper has not and never can have.

O.—Paper legal tenders have an intrinsic value just so long as the Government is recognized by its own people. Gold and silver coin, as such, cannot have any more. Speaking strictly of intrinsic value, gold has not any, while wheat, corn, potatoes have. Suppose, for instance, you were adrift upon the ocean, and had a chest of gold and a pound of flour, which would have the intrinsic value? Now gold and silver bullion have an intrinsic value only in those countries where they are used for ornaments and art. When these metals are coined they lose their intrinsic value as metals, because it is against the law to use them for other purposes than current money, and every people who have obtained any respectability in commerce have condemned metals for general business transactions. Those who wish gold and silver to retain their intrinsic value should do all they can to get a paper legal tender, so as to allow gold and silver, now more than uselessly employed because out of their proper places, to go where they belong, and, in consequence, where they are of the most service.

Again, if, according to the "gold bug," gold is the most

precious metal, and, therefore, gold is the best substance for a perfect money, why do they not, under the same argument, wish gold redeemed with indium, which science and barter tells us is more precious? During the war services were performed, substances exchanged, and our industries enlarged to conform with the volume of United States greenbacks. McCulloch, contracted this volume to conform with the quantity of gold coin we possessed. At least this was his aim, and, consequently, contracted every industry in that proportion. Now, why do not the metallic basis men support this suicidal policy by being still more patriotic and heroic, and contract the gold coins to conform with the indium we possess? If England led, would it be wise for us to follow?

R.—Do you argue that the greenback could ever be kept at par with gold coin.

O.—The greenback is the par of the unit of our money of account, and the standard of our ways and means of payment, and would be at a premium over gold coin, or indium coin, if it were alone made a legal tender for all dues to the Government. Apropos to this, allow me to read a paragraph from Brantz-Mayer's History, Vol. 1, page 172, where it was shown that even chickens were made a legal tender for taxes, and how the demand and scarcity made them, like our gold coin, sell at a premium several times over their par value.

In 1594, Philip the Second, finding himself straitened for means to carry on the European wars in which he was engaged, resorted to the unfortunate and unjust system of forced loans to increase his revenue. He did not confine himself in this odious compulsory tax to the Old World, which was the most concerned in the result of his wars, but instructed Velasco Viceroy of Mexico, to impose a tribute of four reals, or fifty cents, upon the Indians, in addition to the sum they already paid his majesty. Velasco reluctantly undertook the unwelcome task, but, anxious to lighten the burden of the natives as much as possible, and at the same time, to foster the raising of poultry and cattle, he compounded the whole tax of a dollar, which they were obliged to pay, for seven reals, or eighty-seven and one-half cents, and one fowl, which at that time was

valued at a single real, or twelve and one-half cents. This, it will be perceived, was amiably designed by the Viceroy, but became immediately the subject of gross abuse. The Indians are slowly moved either to new modes of cultivation or to new objects of care, even of the most domestic and useful character. Instead of devoting themselves to the raising of poultry with the industrious thrift that would have saved one-eighth of their taxation or twelve and a half per cent., they allowed the time to pass without providing the required bird in their homestead, so that when the tax gatherer arrived they were forced to buy the fowl instead of selling it. This of course raised the price, and the consequence was that the Indian was obliged often to pay two or three reals more than the original amount of the whole taxation of a dollar. It is related that one of the *oidores* (tax collectors) who had taken eight hundred fowl, reserved two hundred for the consumption of his house, and through an agent sold the rest for three reals or thirty-seven and a half cents each, by which he contrived to make a profit of two hundred per cent. Various efforts were made to remedy this shameful abuse, or to revoke the decree, but the system was found too profitable to be abandoned without a severe struggle.

R.—Mr. Owen, what were the mediums for exchange used by the Aztecs when found by the Spaniards?

O.—There was a currency of different values regulated by trade, which consisted of quills filled with gold dust; of pieces of tin cut in the form of a T; of balls of cotton, and bags of cacao containing a specific number of grains. The greater part of the Aztec trade was, nevertheless, carried on by barter; and thus we find that the taxes which were collected by Montezuma from the Crown Lands and the occupations of the people were paid in cotton dresses and mantles of feather work, ornamented armor, vases of gold, gold dust, bands and bracelets, crystals, gilt and varnished jars and goblets, bells, arms and utensils of copper, reams of paper, grain, fruits, copal, amber, cochineal, cacao, wild animals, birds, timber, mats, and a general medley, in which the luxuries and necessities of life

were strangely mixed. As uncivilized as this was, I ask, in all justice, was it not a more liberal recognition of the general industries of the country than our system of subsidizing all labor to gold adventurers?

In reading the report of A. B. Steinberger on the Samoan Islands, some weeks ago, I find this paragraph, which I think is of intrinsic value in the consideration of our financial requirements:

"Je, the Samoan 'fine mat,' enters more largely into all the political ramifications of the people than any creed, custom or tradition which they have ever held. It protects caste, fosters the ignorant thralldom of the people, and alone serves to perpetuate barbaric prejudices. A husband will leave his wife for another with no other purpose than the acquisition of a 'fine mat.' War may be declared and peace made for the possession of a 'sacred mat.' Families count their wealth, and all personal and real estate is computed in 'fine mats.' Chiefs and families have 'fine mats,' but only districts and governments have 'sacred mats.' * * * For the secure establishment and maintenance of a home and foreign government in Samoa, the hereditary and fictitious value of 'fine mats' must be destroyed. This could best be done by affixing a government stamp and making them a circulating medium, subject to redemption as is paper money."

Now, why Mr. Steinberger would wish one hereditary and fictitious value—"fine mats"—redeemed by another hereditary and fictitious value—gold coin—is only to be accounted for by the fact that a Christian often sees a mote in his neighbor's eye, when at the same instant there is a tenpenny nail sticking out of his own. Had an intelligent Samoan visited our shores and reported our country, its people and customs, in his remarks upon the hereditary and fictitious value of our gold coin, and its evil influence in our politics, creeds, customs, castes and misinformations, he might have suggested to his king, as Steinberger, Esq. did to our president, that there could be no home for foreign government—particularly the foreign—until the United States would make gold coin redeemable in Samoan 'fine mats.' After all, does it not come to our minds, more and

more as our experience grows, that the intrinsic value of a thing is worth just the love we set upon it?

One word more. An article of commerce, having a demand, hence a value, can never be a good money. The Samoan *fine mats* and *gold coin* cannot possibly be other than barbaric money. The system of barter, as systemized under the Aztecs, was infinitely nearer just to the people than the mixed, repudiated, and contracted currency of the United States after one hundred years of what is styled self-government. But for the full subject upon money, its history, unassociated with theories, you must see the article "Money," in Appleton's New Encyclopædia.

THE BEST BOOKS, EXAMPLES IN PAYMENTS AND LAWS.

STUDY No. 9.

It is asked what are the most important books on the money question; the most marked examples, not "theories," in payments that have been given at any time, and the best laws that have ever been promulgated for the people.

The books are two: first, and above all, is "The Ways and Means of Payments," by Stephen Colwell, of Philadelphia, which was issued about 1854; the second is "Querist," by Bishop Berkley, of Ireland, published in 1770.

The important lessons in actual payments are two: First, the plan by which the market house in St. Peter's, Guernsey, was built by order of the governor. This is recorded by Jonathan Duncan, in his interesting and now very rare book, entitled, "Bank Charters." This little volume is at least fifty years old, but like true art, it is all the better for its age, having been written entirely free from the influences of the money potentates who, in these our pursy days, make business men, legislators and governments tremble when it is proposed to interfere with the banker's monopoly to inflate our currencies.

The plan was quite simple. The citizens of St. Peter's

waited upon the governor of their island and said that they were greatly in need of a covered market house. The governor questioned them as to whether they had the raw materials and the crude and skilled labor to make such a building as they wished. They replied that they had, and that they only lacked the money necessary to pay for the materials and the labor. "Well," the governor replied, "if that is all that is necessary, your wishes can readily be compiled with. You go to work, make brick, tile and mortar, quarry slate for the roof and get your best carpenters to do the woodwork, etc., etc., and I will in the name of the city of St. Peter's, issue a market house money and pay each one of you for what you deliver and do."

These people went to work; the governor paid them with the city's money, the shopkeepers, market-women and landlords took the money, for all knew that it was issued for labor and materials put into their own market house, and that the rentals would redeem all that would be issued. The new currency stimulated every business in the city to new life, every man sang at his work, and when the market house was ready, the stalls were rented to the market people, and as the rents could only be paid in the city's money which had been issued to build the market house, the people had to struggle to get this certain money; and hence, they gave their farm truck freely and gladly for it. Within ten years all the money which had been issued to build the market house was redeemed by stall rentals and was in the city's treasury. Then the governor issued a public call, the citizens marched in procession with the governor at their head to the city plaza, and there the governor counted the money before the people and burned it in the way of cancellation.

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In this record we have the greatest lesson in payments that has ever been taught. And had the World's Fair commissioners and the mayor of Chicago adopted this plan, as it was suggested to them in a series of letters by the author of these studies, the World's Exposition would not have cost Chicago, the states, or the nation one rupee. Chicago would have put into circulation \$20,000,000 of the nearest "honest" money that was ever issued; labor, crude and

skilled, could have been paid full wages, and a struggle to get this money for gate fares, for rentals, and for all and every kind of payments made to and inside the Exposition, by 50,000 to 150,000 people a day, during six months, would have kept this Exposition money, issued in the name of the city of Chicago, at a premium over the gold, or any other dollar. This would have been an object lesson which would have borne its fruit the world over. It would have been the means of bringing more wealth to the world than if Columbus had returned to life and announced that he had discovered another world for us to settle and develop. The second great lesson in payments is the way that The Credit Foncier Company paid for its irrigating ditch at Topolobampo, Sinaloa, Mexico. The length of the ditch is $6\frac{3}{4}$ miles, the length of the laterals, 8 miles, the amount of earth excavated in the main ditch, 325,000 cubic yards. The depth of the headgate at the Fuerte River is 22 feet, gradually decreasing to 3 feet at tailgate, at which point the laterals begin. Width at bottom of ditch 8 feet with a slope of one to one or angle of 45 degrees, gradually, increasing at the last three-fourths of a mile to 22 feet at the bottom. With 10 feet of water in this ditch, from 30,000 to 40,000 acres of land can be irrigated, and each acre irrigated is worth from \$100 to \$500 per acre. This work was paid for by the Improvement Fund Scrip, issued in the name of The Credit Foncier Company, and this scrip, known as "ditch scrip" * by the colonists, will be redeemed by the water uses of the said ditch. The only money used by the said colonists was to buy food, tools, etc., which had to be imported from the United States. Any further work of like nature, such, for instance, as the labor for building the roadbed of a railway

* The sheriff of London annually pays into the British exchequer six horse shoes with the proper number of nails, as rent for a piece of ground in the parish of St. Clements. In 1234 this lot was rented from the Crown by a blacksmith to build a shop on, and afterwards the property came into the hands of the city corporation at the same rental. The horseshoes and nails have been annually paid since the date mentioned. The contract is fulfilled, and hence the payment is legal if in full as agreed.

and the laying of sleepers and rails, building stations, round-houses and machine-shops, and operating the road, could be done by the colonists without money, for their food can be supplied from their own farm, which is now in a good condition, and is growing some kind of crops every month in the year.

There has been no other equal example in modern times of a work having been finished on The Guernsey Market House Plan, as the great ditch completed by The Topolobampo colonists; and after a little while persons who are watching this experiment by incorporated labor will begin to appreciate the marked success that these colonists have already attained in sustaining the fixed plan and the settled purposes with which they went to Sinaloa to work out, under so many difficulties, discouragements and expenses.

The greatest and shortest laws that were ever made are two: First, that given by Jesus Christ, "Love ye one another." Second, that of Queen Elizabeth, "Put the people to work." Upon the observance of these two little laws depends the future progress of our race.

APPENDIX NO. I.

38 WALL STREET, ROOM 4.

NEW YORK CITY, Dec. 7, 1896.

Hon. William McKinley, President-elect of the United States.

DEAR SIR:

Herein please find a suggestion for a *current money of the realm* for the home people at home. (Study No. 6).

First.—This will protect this nation in its highest and most essential prerogative to say what shall be, and how, and when money shall be issued.

Second.—This will fix the prices, from year to year, of the nation's staple products, and will protect our home producers at home and abroad as they have never before been protected in the control of their own products.

Third.—This will protect the people from trusts, which otherwise will certainly be incorporated, for their own benefit, to corner and fix and unfix the prices of our staple products, as trusts have already incorporated and fixed and unfixed for their own private gain, the prices for oils, sugar, coals, etc.

Fourth.—This will break up and put an end to the big bucket shops, or to the gambling dives known as "Produce Exchanges;" and will encourage the diversification and perfection of home industries at home, by giving protection in fixed prices for the staple raw products which are essential to the manufacturers of finished articles of national import.

Fifth.—This will be a movement on the part of the nation which will call a halt to those few citizens who are now seeking, by means of incorporated privileges, to monopolize the currency and the raw staple productions of this nation; and thereby will call the attention of the whole people to where we, as a nation, are drifting, that the proper legislation may be taken to protect ourselves from home and foreign companies which are harvesting where they have not sown.

That Russia is, just at this time, moving to fix the price of wheat, in the interest of her own wheat growers, gives a special and marked import to the subject of this communication.

Respectfully,

ALBERT KIMSEY OWEN.

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