

MONEY CONTRACTION.

HOW IT AFFECTS THE VALUE OF FARM PRODUCTS.

Falling Prices That Constitute an Appalling Chapter in the History of Our Country—A Gold Standard Falacy Punctured.

The Railway Times: The prostration of business throughout the country is conceded on all hands, the reason why being the only question debatable.

In the discussion a great variety of causes are assigned for the calamities that have overtaken the financial, commercial and industrial affairs of the country, and the remedies proposed are scarcely less numerous. On the one hand is found a class of statesmen—heaven save the mark—who contend that a high protective tariff and a gold standard secures prosperity, while on the other hand are those who believe that a moderate tariff, with free trade in articles essential to successful manufacturing, together with the absolute restoration of silver to its money parity prior to 1873, are the real essentials of business prosperity.

In this connection we observe that The American in its issue of April 4 contains an article captioned "The Wage-Earner Not Benefited by Falling Prices," and introduces official figures, conclusively demonstrating that the business depression in the United States is owing chiefly to the demonetization of silver. The logic of the figures and the facts is conclusive, and are answerable only by the juggler of figures and facts, which deceives those only who are not expert in the detection of the argumentative tricks of gold bugs, who represent the money power, and who, by crying "sound money" and denouncing silver, are able to use their money in shaping policies and corrupting the public mind.

The American's article is so replete with facts, based upon figures demonstrating the business calamities resulting from the demonetization of silver, that we refrain from any condensation of its salient facts that those of our readers who want facts by which they may be governed in the supreme moment of casting their votes, may have them as presented by The American—simply remarking that while the figures presented by The American relate specially to the farmers, they involve no less certainly the interests of all wage-earners. The American says:

In 1872 the acreage of our cereal crops—corn, wheat, oats, barley, rye and buckwheat—was 68,280,197 acres and the farm value of our cereal crops \$874,594,459, the average value of the yield per acre being \$12.81. In 1895 the acreage of our cereal crops was 149,955,163 acres, the farm value \$1,017,316,936, and the average value of the yield per acre \$6.78, the value to our farmers of every acre of cereals harvested in 1895 being \$6.03 less than in 1872. If the money yield per acre had been as great in 1895 as in 1872, if the farmers had been as fully compensated in 1895 for their labor expended in raising cereals as they were in 1872, they would have received \$900,000,000 more for their cereal crops in 1895 than they did.

In 1872-3 the yield of cotton in the United States was 1,384,084,494 pounds and the farm value was \$288,300,000. This, however, was a short crop. In 1872-3 the yield was 1,833,188,931 pounds and the value \$301,087,500. For the year ending June 30, 1895, the yield was 5,036,964,499 pounds and the farm value \$262,426,000; for the year before, an average year, the yield was 3,769,881,478 pounds and the farm value \$203,857,000. The cotton crop of 1894-5 was nearly three times as large and the cotton crop of 1893-4 more than twice as large as the cotton crop of 1872-3, yet the money value was less. The cotton acreage for 1894-5 was more than twice the acreage for 1872-3, but the value of the crop was \$40,000,000 less. Making all due allowance for the effect on the price of cotton of the extraordinary crop of 1894-5, the largest on record, and taking the 1893-4 crop as a basis for comparison, we are forced to the conclusion that the loss of income to our cotton planters caused by the fall in the price of cotton, and directly due to the competition with the cotton of silver-using countries engendered by the fall in the gold price of silver, has not been less than \$350,000,000 annually for the two years ending June 30th last.

As shown in another column, the number of horses in the United States January 1, 1896, was 64 per cent greater than on January 1, 1873; of mules, 74 per cent greater; of milk cows, 53 per cent greater; of oxen and other cattle, 93 per cent greater; of sheep, 16 per cent greater; and of swine, 31 per cent greater; yet the total value of farm animals was 8 per cent less on January 1, 1896, than on January 1, 1873. As we have shown elsewhere, if the value of farm animals per head was as great January 1, 1896, as it was January 1, 1873, the value of farm animals to-day would be between \$2,600,000,000 and \$2,700,000,000 instead of \$1,600,000,000, and assuming the value of farm animals is realized by those raising live stock once in four years, this represents a loss to the farmers on account of the fall in live stock as compared to 1872 of not less than \$250,000,000 for the one year 1895.

Thus we have seen that because of the fall in prices since 1872, directly due to the demonetization of silver, the farm value of cereals was \$900,000,000 less for 1895 than it would have been, the value of the cotton crop to planter \$350,000,000 less, and the loss to those raising live stock not less than \$250,000,000, or a sum of \$1,500,000,000 on agricultural products.

It is true nominal wages do not fall as fast as wholesale prices, for the

wage-earner resists cuts in wages, but finally wages do and must fall, for as prices fall, reducing the fund out of which wages are paid, the employer will reduce wages, or, failing in this, close his mill or factory, for in the long run the employer cannot and will not pay wages out of his own accumulations. If the price received for the product is not sufficient to recompense the employer for his outlay for raw material and wages and leave a profit over incidental expenses he will have no incentive to production, always excepting the owners of such mills and factories, the machinery of which rapidly deteriorates in idleness, and who, consequently, will struggle on to keep their mills open even at a loss.

So we find when prices are falling, not only the nominal wage rate falling, but the income of the wage-earner further cut into by short hours and idleness. And for such reductions the wage-earner is not, as we said, compensated by a corresponding fall in the prices which he is obliged to pay in supplying his wants. Consequently falling prices mean a reduction in the purchasing power of his wages. His house rent is only remotely affected by falling prices and does not fall with the resulting fall in wages, and house rent is a large item. Then the wage-earner buys his bread at the bakery and the loaf of bread does not fall in price with the fall in wheat which impoverishes the farmer, or he buys flour in small quantities at the corner grocery, where he also buys other provisions. But it is long after the price obtained by the farmer for wheat and the miller for flour has fallen before the corner groceryman can reduce the price of the bag of flour, for he always has on hand a supply of flour while prices are falling which he could indeed replace at lower prices, but for which he may have paid considerably higher, and unless he can keep up the retail price much after the wholesale price has fallen and until he can dispose of what he bought at higher prices he will be out of pocket. And so it is with other groceries and all goods bought at retail.

The foregoing demonstrates conclusively (1) That the impoverishment of the farmers of the United States has steadily proceeded since the date of the demonetization of silver. (2) That there can be no real prosperity in a country where the farmers are reduced to penury and bankruptcy. (3) That with the impoverishment of the farmers all wage-earners suffer, and (4) as is said by The American in the closing paragraphs of the article in question—the wage-earner prospers when prices are rising, for then it is that his employer prospers. Then it is that he receives the best wages, and then it is that his wages go farthest and his command over the comforts of life is greatest. When prices are falling and when the profits of industry are decreasing, then it is that employment is slack and wages low, while even the purchasing power of the smaller wage grows relatively less and less.

All producing classes prosper together and they suffer together. Prosperity lies in rising prices, and adversity, losses, suffering, in falling prices. To check the fall in prices should therefore be our one great aim, for while prices are falling progress is impossible and civilization is at a standstill. The fall in prices during the last twenty years has been artificial and to check the fall we must remove the artificial cause—namely, the appreciation of gold. And this can be done only by decreasing the demand for gold, which in turn can be done by remonetizing silver.

The People's Honest Money.

When man half wild goes roaming round,

With all his wives and cattle,

And squats upon his neighbor's ground

By dint of deadly battle;

The only money that he talks

Or can so much as guess of,

He measures by a good fat ox,

Or calf if needing less of.

And when the savage takes a fit,

To give up idle tramping,

And vows that some congenial pit

Is better far than camping,

He wanders down besides the mere,

For muskallonge and much pike,

And trades them to the mountaineer.

For badger skins and such like.

And later when he heeds the boys,

And gives up smoky caverns,

And starts a line of sharp deploys

To build saloons and taverns,

He hangs a sign out far and near,

Where immigrant can read it:

"Gold bullion only taken here;

No trust unless you heed it."

At last our tramp becomes a king

And cuts out scraps of metal,

And says, "By jove! I've hit the thing.

My phiz shall on them settle."

And so he calls his wives aenant,

And says, "Go ye, my honey,

And tell the ruler of the mint

That these henceforth are money."

But by and by the kingly tramp,

Is gathered to his mothers,

And knowledge sets a clearer lamp

To guide the steps of others;

And art and learning for the free

A dollar have created,

Whose basis is the honesty

Of freemen aggregated.

Let wild men trade with ox and hide,

And tyrants' heads stamp bullion,

The crisp fair greenback is the pride

Of the enfranchised million.

Hail, greenbacks! With the sure in-

crease

Of bread and meat and honey!

Our friend in war, our hope in peace,

The people's honest money.

—Kate Brownlee Sherwood.

There seems to be a grand rush to

get into McKinley's band wagon.

HISTORY OF A WEEK A KANSAN TALKS.

THE NEWS OF SEVEN DAYS UP WANTS THE OMAHA PLATFORM IN ITS ENTIRETY.

Political, Religious, Social and Criminal Doings of the Whole World Carefully Condensed for Our Readers—The Accident Record.

POLITICAL NOTES.

Richard H. Hartford of Portland, Ind., has announced that he will be a candidate for the nomination of attorney general before the democratic state convention.

The republicans of the 8th congressional district at Nicholasville, Ky., nominated Judge George M. Davis for congress.

CASUALTIES.

Calopero Ulocca of Racine, Wis., was crushed to death by a car of stone.

Colonel Dudley, a prominent business man, was thrown from a carriage in Joliet, Ill., and had a leg broken in three places below the knee.

William Swartz, while playing ball Sunday at Pataskala, Licking county, O., was struck on the head by a pitched ball and died in a few minutes.

Earl H. Sivers, aged 7, and Thomas I. Melville, aged 12, were drowned at Kenosha, Wis., while gathering pond lilies.

A hard hailstorm occurred at 5 o'clock Monday afternoon between Montford, Wis., and Preston, Wis.

Hailstones one and one-half inches in diameter literally cut down large fields of oats. Windows of several houses in Preston were broken. The damage is considerable.

Fire at Elvira, Trempealeau County, Wis., Sunday morning destroyed the hotel and three or four houses. The loss is supposed to be \$12,000.

Mrs. Emil Durr, wife of the president of the German-American bank at Milwaukee, died at the summer home at Nagawicka Lake, the result of injuries received in a runaway accident June 4.

Lake City, a mountain village in California, was nearly destroyed last Friday by a waterspout. No lives were lost.

A negro tramp, aged 18, while bathing in the Kaskaskia river at Carlyle, Ill., was drowned. His name was not known. The body was recovered.

FOREIGN.

Fifty sailors from a Japanese warship at Antwerp mutinied, landed and attacked the police. The mutineers were overcome, and the ship is now guarded by a detachment of police.

Practically all of the South and Central American republics have notified Ecuador of their acceptance of the invitation sent out by that government to be represented at an international congress to be held on Aug. 10 next, to promote international arbitration. The United States has not yet accepted the invitation.

A council of Spanish generals in Cuba has decided to suspend operations against the insurgents owing to the rains.

Deputations with the mayors of all the towns of South Africa waited upon President Kruger Sunday to thank him for his clemency to the convicted reformers. President Kruger pointed to the Bible with the remark that there was his guide. He then referred to Cecil Rhodes, who, he said, was acting as if he was egg on a dog fight. He, who had caused the trouble, was still unpunished.

Emperor William granted an imposing audience Sunday to Li Hung Chang in the Knights' Hall of the old castle.

Li Hung Chang was conveyed thither in the royal carriage, escorted by Uhlans.

CRIME.

J. W. Fuller, a bank swindler, who has just served three years in the southern Indiana penitentiary, was taken to Philadelphia to be tried for passing a forged check.

While trying to rob the store of Joseph Garrott at Mingo, Ind., an unknown man was shot and instantly killed. His body was taken to La Grange, Ind., for the inquest.

At Grand Rapids, Mich., William Lampman was shot and killed by George T. Sullivan, a discharged employee. Sullivan says he shot in self-defense.

William Hughes killed himself at Newark, Ohio, by blowing off his head with a shotgun. He was wealthy and popular, and had been married a year, leaving a 2-weeks old child. A stick with a nail attached, with which he pulled the trigger, was found lying near the body.

A desperate duel took place at Hartsville, Ala., between Monroe Jackson and J. W. Vest, resulting in the death of both men, who were prominent populist politicians holding opposite views.

Bill West, the Indian Territory desperado who recently broke jail at Topeka while being held for murder by the federal authorities, was shot and killed at Illinois, O. T., while resisting arrest, by Thomas Carlisle, a territory officer. West was charged with three murders, and would have hanged for the killing of United States Marshal Kinney at Fairfield.

Ben Dice, a rancher, killed his brother-in-law, Grant Smith, in a quarrel about water in an irrigation ditch. His wife attempted to remove a dam in the ditch on Smith's place and the latter interfered, when Dice, who was sitting in his buggy, shot Smith with a shotgun loaded with buckshot, killing him instantly.

Street Commissioner Larry Cummings shot his wife and attempted to shoot his daughter at Seattle. Mrs. Cummings is believed to be fatally wounded.

Let wild men trade with ox and hide, And tyrants' heads stamp bullion, The crisp fair greenback is the pride Of the enfranchised million.

Hail, greenbacks! With the sure in-

crease

Of bread and meat and honey!

Our friend in war, our hope in peace,

The people's honest money.

—Kate Brownlee Sherwood.

There seems to be a grand rush to

get into McKinley's band wagon.

bear the burdens have intuitively grasped the remedy. They have spoken in language as solemn and sublime as the Declaration of Independence, the Sermon on the Mount, or the Decalogue given amid the clouds and thunders of Sinai.

Let there be no trifling with things that are sacred. Let there be no bazaar and sale of principles for temporary victory. Woe to the leader, and woe to the convention selected to uphold this modern Magna Charta who shall dare barter its grand principles for a single plank platform