

HOW DISTRUST STOPS TRADE.

BY EDWARD ATKINSON.

THE population of this country is now approaching 68,000,000. That will be our number before the end of the year. The product of the people of this country is not less than what an average of \$200 worth would come to per head; probably more now. It came to that sum about ten years since. This product consists of food, fuel, clothing, and shelter. All work, whether manual, mechanical or ornamental; all capital, whether material or mental; all effort of every name and nature, is expended directly or through the use of capital in the process of bringing out or producing the substances which are derived from the field, the forest or the mine, and converting them into food, fuel, shelter, and clothing. The final cost of the support of each member of the community is his own proportion of the consumption of these products; no more, no less. All that each one gets, rich or poor, is his board and clothing. Consumption is the end of the whole effort, whether it takes the form of what is called fixed capital—in which form it is consumed slowly—or something else for immediate use which is consumed quickly.

Manufacturing and trade consist in converting crude products into their final forms—ready for consumption. In these processes a small part of what is produced is consumed by those who are directly occupied in primary production on farms. The rest—by far the greater part—is converted, re-converted, and sold or exchanged once, twice, thrice, or even more times.

If sixty-eight million persons produce at the rate of \$200 worth per head, which comes to \$600 to each worker upon whom two others depend, then the average product of each workingman or woman upon whom two others depend, at \$600 worth of product per year of three hundred working days, comes to \$2 worth per day; from which two dollars' worth all profits, taxes, and earnings or wages are alike derived or recovered. The aggregate amount, at two dollars' worth each per day, would be meas-

ured in money at the sum of \$13,600,000,000, and that would be the value of our total annual product.

If we take a maximum estimate of that which is consumed where it is produced without purchase or sale, and call it \$1,600,000,000—which is too much—there remains \$12,000,000,000 worth of product which is converted, re-converted, sold or exchanged from one to many times in its progress from the producer to the consumer. The subjects of trade come to at least \$12,000,000,000 a year, probably to a much larger sum.

The lowest average of exchanges may be put at three conversions, each of which carries with it a purchase and a sale. The sum of all transactions comes, therefore, to not less in each year than \$36,000,000,000. Omit holidays and Sundays, and the bargains and sales of each day amount, at least, to \$100,000,000. Divide this by sixty-eight million people, and we find that the purchases and sales which are conducted in terms of money every day for each person, man, woman or child of our population, come to \$1.50, probably to a greater sum.

That is to say, every average man, woman and child must have on the average—some more and some less—what fifty or sixty cents a day will buy. Before this food, fuel and clothing get to the place where each one can buy it, it has been sold once, twice, thrice and sometimes four or five times over, and the sales and purchases come to one dollar and fifty cents a day at these estimates.

Trade consists in making these purchases and sales. Bad money stops trade; then the poorest suffer the most.

In order that food, fuel, clothing and shelter shall reach the person who needs it on the day when he needs it, the product of the farm, the field and the mine must have been moved to the mill, to the workshop, to the factory, to the dwelling; a large part must have been converted into fabrics; these again into clothing, implements and food ready for consumption; lastly, all must be distributed in small parcels in order to reach the person who is to be served. Many would starve if the food were stopped for a week; all would be speedily reduced to want if fuel, clothing and shelter were not supplied at the time of need. These exchanges are "Trade." In trade men serve each other's wants. Commerce exists only by mutual service. Let us reverse the terms of this problem.

Many who cannot think in millions can think in dollars. Let every one think of what quantities of food, fuel and clothing he can buy with fifty cents. The working group numbers three persons; one works for the other two. Let any one think how much food, fuel and clothing for three persons he can pay for out of a dollar and a half per day. Let him then think where the food, the fibres and the fabrics were first produced—where they were manufactured and how they reached the shop where he buys them. Will he not be very certain that before he bought these goods at retail they had already been bought and sold in one form or another, once, twice, three times or more?

Suppose we say three times, then the purchases and sales for each person come to a dollar and a half a day, or to four dollars and a half for each group of three.

Then ask one of the children to do the sum:

50 cts. worth a day \times 365 days = \$182.50.

$\$182.50 \times 3 = \$547.50 \times 68,000,000 \text{ people} = \$37,230,000,000$ a year.

Thirty-seven thousand two hundred and thirty million dollars' worth of trade each year in order that each man, woman and child may get what half a dollar a day will buy! That is what it comes to.

In making these purchases and sales, weights, scales and measures are used. The man who tampers with his scale is a knave; the man who uses a light weight is a thief; the man who gives false measure is a criminal.

What word shall we use to designate the man who makes a bad dollar or the legislator who passes an act to force people to take it?

The only use for which money is required is to serve as an instrument of exchange in making all these purchases and sales. No one wants any money except to spend. Every one wants as much money as he can earn of the best kind, in order to buy a sufficient supply of food, fuel, clothing and shelter to meet each day's wants. The quality of the money is therefore the matter of utmost importance. The quantity of money even now in circulation would not suffice for a single month's transactions, hardly for a single week, if money were required in every purchase and sale. The work of trade is done mainly on credit because men trust each other as they have a right to. "The trust reposed in

and deserved by the many makes the opportunity for the fraud of the few." The credit which each man can extend to his neighbor depends not only upon the quality of the man, but also upon the quality of the money which is to be paid and which is to be received. When a doubt exists about the quality of the money trade stops. Credit cannot be given even to those who are entitled to it when the credit of the money itself is doubtful. That is what affects trade now. The quality of the money which is lawful in the United States is doubted. Why? Money that is doubted is bad money. It is not fit to be used.

The country is full of the elements of wealth and prosperity; the materials for food, fuel, shelter and clothing are in excessive abundance, but they must be kept moving. They are kept moving by the use of a small amount of good money and a great amount of credit. Credit depends upon the quality of the money. The quality of the money is doubted. Any one can measure the evil if he can once conceive of the check or stop to trade which comes to \$100,000,000 every day. Stop this traffic a week, and those who have small capital begin to fail. Stop it two weeks, and banks begin to fail. Stop it a month and a universal panic ensues. Stop it in part by doubtful credit, and trade is depressed everywhere. It is so now. Why?

This doubt of the quality of the money has been caused by the attempt to put a dollar made of silver into circulation under an act of legal tender, which dollar is not worth as much after it is melted as it purports to be worth in the coin. Bad money which is a legal tender drives good money out of circulation. Bad legal tender money is now driving good money made of gold out of circulation. Trade is checked. Men are beginning to fail. Banks are subject to ruin. Distrust prevails everywhere.

The only definition of good money is that it consists of coin which is worth as much after it is melted into bullion as it purports to be worth in the coin. Gold dollars are good money because they are worth as much in bullion as they are in coin. Silver dollars are bad money because they are not. They serve the purpose of good money only so long as the Government redeems them in gold or its equivalent. How long can the Government continue to do so? These are facts. Let any one contest them who can.

The present administration is making use of all the lawful

power that exists to put a stop to this distrust,—to maintain the credit of the country and to prevent a panic. It must be supported by banks, bankers and people alike, else the disaster will come. That disaster will be due to the temporary success of the advocates of the free coinage of silver dollars which are not worth as much after they are melted as they purport to be worth in the coin. There is hardly a man in this country who cannot to-day name important undertakings which have been and will be stopped until this cause of distrust is removed. This distrust stops trade: it stops enterprise: it promotes bankruptcy. The stupid or malignant enemies of the credit of the country must be held responsible. They are the advocates of the free coinage of silver dollars of full legal tender, which are now bad money.

These men are not bi-metallists. The bi-metallists scout them. They are either ignorant persons who do not know what bi-metallism is, or else they are special advocates of the so-called silver interests, who are ready to defraud the working-people of this country for their own personal profit. It is time to stop being tolerant on this question.

The proposal to coin silver dollars without limit and to force people to take them by an act of legal tender is an intolerable fraud. The purposes of its advocates can only be justified by commending their sincerity at the expense of their intelligence.

EDWARD ATKINSON.

THE ANTI-TRUST CAMPAIGN.

BY ALBION W. TOURGÉE.

HISTORY is the story of an endless conflict between the strong and the weak—the strong grasping always for more, the weak striving ever for enough. Sometimes the struggle is for dominion ; sometimes for possession. It matters not ; in the last analysis both mean the same—control. Sometimes the strong win by physical prowess, sometimes by intellectual acumen. At first, their weapon is the sword ; anon it is the law. Sometimes they compel through fear, sometimes through want. The weak battle sometimes for life, sometimes for liberty ; sometimes for parity of right, sometimes for equal opportunity. Sometimes they strive for security ; sometimes for sufficiency ; sometimes with the hope of superfluity. At first they ask only a chance to live ; anon they desire comfort and security ; after a time they demand parity of privilege and equal opportunity. To-day they appeal to law ; rest secure in its shelter ; observe its behests. To-morrow they begin to chafe under its restrictions, seek to break through its meshes, and either yield to its force and sink into dependency or break through and begin again the curious struggle. The loaf they beg to-day, they spurn as a stone to-morrow.

The strong are not always bad nor the weak always good. Indeed the average of the strong is often, perhaps always, better than the average of the weak, because their opportunity is greater. The strong are often unconscious of the wrongs they perpetrate. This is because the law, which is the creature of power, is silent as to evils which spring from its exercise ; while it denounces all that tends to disturb the harmony which power has established. Crime springs out of weakness, oppression out of strength. The law sanctions the act of the strong in taking bread out of the mouths of the weak ; but if the weak take but a loaf from the store of the strong, even to save himself from perishing, it punishes his act as a crime.

Dominion and wealth are mere complements of control. Do-