

FALSE DOCTRINE.

THE ORGAN OF THE PLUTO CRATS CONTRADICTED.

True Americans Do Not Care for the
Good Opinion of British Bond-
holders, but They Want More
Money of Their Own.

Under the title, "Who Started the Scare?" the Kansas City Times in a labored article attempts to parry the charge of a deep laid conspiracy to throw silver out of use as money, and charges that silver legislation has produced this scare. It charges that the trouble began when the United States began the purchase of silver in 1878 the effect of which was, as it claims "the heaping up of useless silver, causing uneasiness to be felt among the holders in other countries of American securities."

This, anyone posted on the situation knows was not true, but the reverse was the fact. In 1878 and the year following this country had a boom in every line. The government bond went to a high premium and foreign countries were eager buyers of all our securities. Never was anything heard of returning securities until 1890, after Baring's failure when England sold their most available securities and borrowed \$15,000,000 from France to save their debt ridden, gold basis country from ruin. It was then that England returned some of our securities because they had to have the money; not because of any doubt she had about their quality.

If any securities have been sent back lately it was for the same reason, viz the heavy draft on account of the Australian condition.

It was but recently that a London paper stated that the proposed issue of \$50,000,000 bonds to maintain our reserve would find a quick sale in London, saying that the "buyers would climb over each other to buy them." This, too, in the face of our "sinking to a silver basis."

If the silver legislation caused the scare in the United States, will the Times please explain what caused the scare in Australia and produced the worst panic ever recorded in history, banks failing in one month with deposits of \$450,000,000? There was no silver issue there.

But there was the single gold standard and it was too narrow to carry the trade. It enforced an excessive use of credit and the credits bore interest and the interest accumulated and broke down in a panic, as they always will.

The lessons of doing business with too small an amount of money are abundant on both sides of the globe, and the student who cannot see them is either stupid or prejudiced by personal interest.

The foreigner is not returning our securities, but he is buying more every day. The loss of \$213,564,849 of gold in the past five years does not represent securities returned, as the Times indicates. It does represent interest on securities held by Europe against us. Since 1878 the foreign investor has not only poured money into this country, but has re-invested in productive interests here, viz., in our breweries, distilleries, starch and sugar works, flouring mills, etc., etc. This recent gold drain has been caused by the foreigner ceasing to invest his profits and calling them home. It is estimated that it will require \$190,000,000 per annum to pay the interest on railroad bonds alone that are held abroad. Add to this the profits due the foreigner on their breweries and other industrial investments, and if it is not re-invested but is taken back home in cash, it will drain the country of gold in a very few years.

What this country wants to do is to protect its people against the foreign investor instead of inducing any further investment.

Calling Hard Names.
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