

Becomes a Free Trader

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HENRY GEORGE'S LETTERS.

Interesting Comment On the Recent Republican
Convention and Its Issues.

The letters of Henry George from the republican national convention at St. Louis, where William McKinley was nominated on a platform of protection and gold standard of money, were published in all of the important centers throughout the country. Among the great dailies in which they appeared were the New York Journal, Boston Herald, Pittsburg Post, Chicago Tribune and San Francisco Examiner.

Mr. George's first letter was published on Tuesday, June 16. After reference to the evident unanimity among the delegates for McKinley as the bringer of "protection and prosperity," the letter deals largely with the beginning of the republican party, and the causes which brought it into being. He said:

I was a boy at sea when a passing ship brought news that the first republican convention had given birth to a new party opposed to slavery. From that moment I was a republican, and tried to support Fremont in all ^{ways} a boy who could not vote might do. Casting my first suffrage for Lincoln in California, I continued to support that party till the war was over and Grant was president. And I accepted, too, what I now think its great mistake, and was as earnest a protectionist as the men around me to-day who wear the badges, "Protection and Prosperity." More logical, perhaps, than most of them, I found consolation for the ravages of the Alabama and the Florida in the thought that they were incidently protecting us better-paid workingmen of California against the more poorly paid labor of

the East.

But one night while Grant was president a fellow compositor took me to a debating club, where I heard a man now well known in California - and, I am glad to say, now a single taxer - make an address that would elicit applause if delivered in to-morrows convention - an address in which protection was extolled as the highest patriotism and the surest road to national prosperity. People think quickly when their thought is ripe for it and I left the room a free trader. For I saw that to talk of "protection and prosperity" was like talking of "sin and sunshine" or "robbery and righteousness."

Becomes a Democrat.

I was never a half way man; and when I comprehended that the inevitable outcome of the policy of protection, to which the republican party had become committed, was the institution of an industrial slavery in place of the chattel slavery that had been abolished, I sought the democratic party, as affording the readiest way of opposing the attempt to make men rich by denying their natural rights. And from that time on the only thing I have thought worth working for and voting for in national politics has been the reverse of protection - equal rights.

I was a delegate from San Francisco in the democratic convention of 1872 that nominated Horace Greeley and heartily supported this arch-representative of American protection, because I believed that his candidacy as a democratic nominee would do much to end the war feeling, and this I most heartily desired as a means of bringing political discussion back to questions that really most concerned the masses of our people - the social and economic questions. And I staid with the demo-

cratic party through the Tilden campaign and the Hancock campaign, hoping that it might at last turn to the real democracy, the true democracy, the democracy of Thomas Jefferson, and speak the words of power, equal rights to all and special privileges to none.

Drawn To Cleveland.

Tired of hope deferred, I had come to think that the only hope must lie in some new movement, when at length Cleveland questioned the policy of "protection and prosperity" in his message of 1888. I was one of those who rallied to his support, not because he had said free trade, but because he had at least made a movement toward free trade. In the first battle with protection Cleveland was defeated, and, flushed with triumph, the protection interests gathered to pass the McKinley bill. Then came the triumphant renomination of Cleveland and his triumphant election on the third successive running, an honor never before accorded to an American citizen.

How in the hands of his administration the hope that gave him power has been ignored and stultified it is needless to say. The effect on me is, that if I must choose again between two protectionists, I would much prefer a republican protectionist to a democratic protectionist. If an army is to be massed for the avowed purpose of putting down strikes, federal troops are to be sent into states without call of their authorities, if we are to be threatened with wars that could only profit spoilsmen, and extravagant expenditures are to be maintained by the issue of bonds uncalled for by congress, it is better that these things should be done by the avowed party of strong government than by a party that pretends to follow the Jeffersonian philosophy.

Predicted A Split.

Mr. George in his second letter writes of the money question and the increasing possibility of a split between the silver and gold factions.

More and more it grows clear, said he, that this convention cannot escape doing what the astute management that so carefully, and to their first apprehension, so successfully planned out a program for it did not wish for and did not expect, and that ere the convention can place its nominees before the people and adjourn it is fated, whether by omission or by commission, formally to open a new issue, an issue that will drive through and split into fragments the old political alignments, an issue that has in it the possibility of arousing fears and kindling passions, and may even in the coming election give a greater intensity to political contests than they have known since the split in the Charleston democratic convention that opened the way for Lincoln's election as the first republican president.

The divergence between the gold element and the silver element is too wide for the policy of straddling to span, and rather than permit an evasion the silver element will join the gold element in forcing a clear declaration. It is not the tariff but the money question that is really up, and it will not down.

Thus - in a way that men like myself - the real republicans and true democrats, in Thomas Jefferson's use of the words, who, better to distinguish them from protectionists, republicans and democrats in a mere party sense, are called single taxers - have not wished for and have not striven for that which we have wished for and have striven

for as the means of opening the way for new truth, the breaking up of existing political divisions is likely to be accomplished.

What the Movement Means.

It is therefore worth while to consider that this passionate desire for free silver, which has already shown its power in the election of delegates to the democratic convention, and is forcing a new alignment in the republican convention, really means. What is vaguely known as the silver movement has in it three elements - the wish of silver mines, to increase the value of what they have to sell by the device of protection, the forcing of its use upon other people; the perception that the intrinsic or commodity value of what is used as money is not an essential element in the performance of the offices of that medium of exchange; and the notion, fostered by our habits of expression and often of thought, that abundance of money means abundance of wealth.

And behind these, and giving to it in first expression its sectional character, lies, though unperceived as yet by the masses, the great land question, which is but a more definite name for the greatest of all social questions, the labor question, the question of work and wages, and consequently to the masses of life itself.

The first of these elements, both in time and in importance, that make up what is now called in our politics the silver movement comes from "greenbackism" - so called from the popular name of the direct issue of paper money made by the national government during the war. This, in rational form, was a recognition of the fact that such money needed no backing of deposited bonds or basis of gold reserves,

and was the cheapest and fairest.

Credit Instead of Coin.

The most highly civilized form of money it gave to the country, what it had never before, had a uniform and convenient medium of exchange, and utilizing for the benefit of all the enormous economies effected by the substitution of credit for the precious metals. Greenbackism derived a passionate element from its becoming a protest against the manner in which during the needs of the civil war the finances of the government were used for the special benefit of the moneyed class, against the repudiation of its own money by the government in making duties collectable and interest payable only in gold, against the institution of the national banks, a device by which the government was made to pay interest on money it had loaned; against the assumption that a great volume of debt for which no stipulation for payment in gold had been made was redeemable only in gold; and against a forced contraction of the currency, which worked hardships to debtors and serious injury to business, and round this nucleus of truth a wide penumbra of error gathered.

At one time greenbackism seemed destined to sweep the country. But in the solid machine of a party strong in a sentimental appreciation of the good it had done, but that had formed an unhealthy alliance with the principle of protection, the greenback movement went down, and when what remained of its organization was captured by Butler, to be sold out to Blaine, it ceased as a party to exist.

Its Ideas Still Exist.

But its ideas, in which truth was mixed with fallacy, have continued in a money reform movement that naturally under the circumstances

passed into and gave energy to the movement for the substitution of silver for gold as the measure of value in our monetary system.

The silver movement, which to-day is thrusting its unwelcome presence into the councils of the party of "protection and prosperity," is really an expression of deep popular discontent, and at bottom a just discontent. This was the power that gave victory to Mr. Cleveland in 1892. But he, in turning his back to all he stood for of reform, has diverted this discontent with increased intensity to the money question as the readiest means of finding expression.

It has already swept the democratic party clean off Clevelandism and Gormanism and Morganism. Can the republican party, with the gold sentiment of the East linked to its shibboleth of protection and prosperity, carry McKinley into the White House in the face of the tide that swells from the West? This is the question thoughtful republican leaders are earnestly discussing to-night.

A Historic Convention.

The third letter describes the yearning of the McKinleyites for a straddle on the money question. Mr. George also makes an interesting prophecy concerning the future of the republican party. He said:

Enough is now clear to make it certain that this will be a historic convention, marking the drawing of a new political line. A great party which began its formal existence by arousing all the bitterness of a sectional question seems likely to come to its formal end in the bitterness of what seems for the present like another sectional question.

The line of division is not now one of latitude but one of longi-

tude. Not between North and South but between East and West. On this sectional division the politicians seem now confidently to figure. For the present they are doubtless right. But is the Union really threatened by a new and necessarily sectional division in our politics which must continue to breed strife until one section overcomes the other?

The dangers are grave enough, but they do not seem to me to involve this supreme danger. The slavery question was really a sectional question, for when it came into political issue all the slaves were owned in the south and none at all in the North; but there is in reality no such clear sectional line for division on the money question.

The East has not all the gold nor the West all the silver, and whatever may be the best money the people of one section are as much interested in getting it and using it as can be the people of the other.

Money Question the Issue.

The money reformers have exhausted fertile imaginations in the effort to show that the money question is the most important of social questions. According to them "the control of the money of a country is the infallible means by which the few can take to themselves the earnings of the many, and to insure the issuance of an abundance of cheap money is the only way in which wealth may be made plentiful and its distribution fairly equalized, interest," or, as they call it, "'usury' abolished, the dominance of the 'money kings' destroyed, and the laboring masses emancipated."

But in truth the sort of money used in any country, considered either as a medium of exchange or as a measure of value, is a matter

of relatively small importance. Money has served and does serve most important functions in exchange. But there were men before there was money, and the further progress of our civilization is steadily to lessen the use and minimize the importance of money.

Money is really a mere medium of exchange - a mere counter of value - and its kind or quality is as little essential to the performance of its functions as the kind or quality of a poker chip is to the game. We can exchange between ourselves in any medium that we agree upon.

And all talk, whether on the side of "silver cranks" or of "gold bugs," about the necessity or the expediency of our use of a certain kind of money in order to exchange or more advantageously to exchange with other nations is destitute of any basis that can stand careful investigation. Money in its domestic use is merely a local counter for the facilitation of exchange among men. We do not eat money nor drink money, nor wear, nor, except metaphorically, burn money. Nor yet, save in the same metaphorical way, does the possession of money mean wealth or its absence poverty.

What Money Really Is.

As for international exchanges, the money that any one country may use makes no difference in the exchanges between the people of that country and the people of other countries. Money does not enter into them save as a commodity - a product of labor divested of the character of general acceptance that really makes it money.

So far as immediate use is concerned, we might change our money, either as a medium of exchange or a measure of value from gold to silver, and from silver to copper, and from copper to wampum, without

any more difficulty than might come from the friction of the change.

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