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No man is great enough or rich enough to get this paper on redit or for a longer time than paid for. It is published as credit or for a longer time than paid for. It is published as an advocate of International Socialism, the movement witch favors the ownership of the earth by ALL the people—not by a PART of the people.

Semi-Centennial Anniversary.

EXT year when the national convention of the Socialist party meets it will be precisely fifty years since Abraham Lincoln delivered his historic speech appealing to the recently born republican party to stand its ground undinchingly and bear its revoutionary banner on to victory. The republican party then and the Socialist party today stand in a somewhat analogous position, and some of the words of Lincoln apply most aptly to the present situation. Said Lincoln:

"Two years ago the republicans of the nation mustered thirteen hundred thous and strong. We did this under the single impulse of resistance to a common danger, with every external circumstance against as Of strange, discordant, even hostile elements, we gathered from the four winds, and formed and lought the battle through, under the constant hot fire of a disciplined, proud, and pampered enemy. Pld we brave all then to faiter now?—now when that same enemy is wavering, discording and belligerent? The result is not doubtful. We shall not fail—if we stand firm, we shall not fail. Wise counsels may accelerate or mistakes delay it, but, sooner or later, the victory is sure to come.

Two years after these words were addessed to a new, weak partybut a party with a mission—that party swept the country, elected a republican congress and placed Abraham Lincoln in the presidential

The Socialist party is stronger today than the republican party was fifty years ago. It is far more securely grounded in the acceptance of its principles by the rank and file. It has a more distinct and infinitely grander mission, and events, now as then, are crowding each other to push it on to victory.

As an appropriate commemoration of this historic landmark of half a century ago, consecrated by the devotion of the immortal Lincoln, the APPEAL proposes to issue a semi-centennial revolutionary edition that will shake the country from center to circumference. The APPEAL already holds the world's three highest records for large editions, but these will be completely eclipsed in the Lincoln and Abolition edition to be issued next year.

The plan is to issue this edition immediately after the adjournment of the national Socialist convention so that it may contain the national platform, names of candidates and other essential features of the proceedings, and place a copy of it, as nearly as superhuman efforts and the extreme capacity of the APPEAL will make this possible, into the hands of each and every one of the fifteen millions of voters in the United States.

The campaign will be in full swing when this edition is reeled from the press and every nerve in the APPEAL anatomy will be strained twenty-four hours a day until the task is accomplished.

The Panic will have its grip on the people and they will be sympathetic and responsive as never before and this continental edition, we are fully persuaded, will fire their blood and swing them into the advancing column of the Socialist Party and the Social Revolution.

The APPEAL Agitation league has underto send a copy of this edition to all outside of the large cities, in the United Sintes. It requires \$5,550 to do the job. As I write this, one-half the sum has been As I write this, obtains the market read-ers. I trust those who feel that this work should be dose, as originally planned, will come to the front with a liberal contribu-tion at once. I want this edition to visit ry one of these 1,150,000 names before the first day of the New Year. Remember, \$1.00 pays for 200 copies to different ad-dresses, thus reaching 200 individuals.

A New Kind of Panic.

This panic has the plutes puzzled. If you have followed the explanations printed by the daily papers and Marshall Field store, undertakes, in an eastern magazine, to prove that we are not facing a serious panic. From his article I quote as follows:

From his article I quote as follows:

Why do I believe we are not confronting a general panic? Naturally I look at it from the merchant's fewpoint. I have mever observed anythin, tike a maile of more than local scope which did not present this condition: the warchoness of manufacturers filled with goods which had to be put on the narket and soli, at sagging prices in order to enable the harm facturers to meet pressing oulgations. Not only have I never observed a real peale which did not stirt with this situation, but I have never read of one. Now, what are the conditions in the manufacturing world today? There is scarcely an exception to the statement that there is not a warehouse of a manufacturer or of his scilling agent or distributer which is stocked with

It is true, as Mr. Shedd points out, that there are few warehouses filled with merchandise and machinery. By reference to the financial papers printed in New York, we find tustries, such as produced that so perfect is the control of production that the supply is limited to the demand. "The statistical equilibrium," says Dun's Review, "is maintained between supply and demand." In other words, the steel trust goes to its department of statistics and receives from its experts s statement as to the number of tons I steel that will be called for during the coming year.

This can be as accurately deter-

mined as I can estimate the amount of white paper the APPEAL will use

more steel is manufactured that under the new system of infustry, the material to supply a cernount of steel rails, wire, etc., is not made until the order has been blindly producing goods and selling afterwards prevails in but few stries, and these are fast falling

The cause of this panic, however identical with the cause of ali per panics, no matter how differ-t may be the surface indications

In 1893, for instance, the country awoke one morning to find on

THE APPEAL AGITATION LEAGUE hand several billion dollars' worth of all sorts of goods for which there was no market.

> There was no market because the working class had expended all the money it had received as wages. The wages received did not equal the prices placed on the goods by the enpitalists who owned the machinery production. Industry stopped. Preceding the general closing down the country experienced a financial buy postoffice money orders, payable ing the strikers and playing into the flurry very similar to the one through to themselves. No bank failure will hands of the mine owners. which we are now passing.

Today, however, instead of "overproduction," so-called, we find that he same conditions have been brought about by a gradual shutting put your money in them so the banks down of industry and the laying of can get the interest on your money. the magazines you have doubtless of labor. This process of elimination and closing down has been marines, but the government does not ety of opinion expressed by men of going on considerably over five affairs. John G. Shedd, head of the years. This movement has not been perceptible to the average man, but for such deposits. The banks give an examination of the statistics of you no security for your money when employes and of wealth produced you put it with them. See, Johnny? ber of men required to produce any given quantity, of say steel rails, is smaller today than at any time in the past. This means that the wage Rhode Island, representing fund, while increasing in volume, has not increased in the same ratio as the wealth produced.

The result has been a constantly

agent or distributer which is stocked with brought about a condition identical

Both the democratic and republican parties stand for a condition which brings panies; the democratic party for competition and small ininstries, such as produced the panic

The republican party stands for Big Industry, such as produced the jecting the penniless and friendless.'
panic in 1907 under Roosevelt. . . . That is the true doctrine of

Socialism would avoid this evil by increasing the wage fund to equal the value of the nation's wealth, giving to each worker an exact equivalent for labor performed.

for its safety on having the many ple who preach this inhuman and put their money in bank so that the pitiless doctrine make us a Chrisfew can use it to make profit off the tian nation. many, is a very poor system. There is something radically wrong with than is or will be bought. The fact a system that causes trouble when a a system that causes trouble when a "fools did it," meaning the poor person cannot hold his own property fools—the little fellows with a few in his own possession without dan-ger of tumbling the whole financial

ONE issue of the New York World aid of the under dog. It reminds industries, and these are fast falling had a list of a column of suicides for me of a couple of boys I used to the day before! And a list of 125,- know when I was a kid. Johnny we'd monopolistic production. It is 000 workmen thrown out of employ- had a new sled. Bob didn't. Johnny the day before! And a list of 125, and a new sled. Bob didn't. Johnny these new conditions that make this ment in that city alone! And these panic a paralyzing and perplexing are what the president calls "sound while he rode. This arrangement are what the president calls "sound while he rode. This arrangement are what the president calls "sound while he rode. This arrangement are what the president calls "sound while he rode. This arrangement are what the president calls "sound while he rode. This arrangement are what the president calls "sound while he rode. This arrangement are what the president calls "sound while he rode. This arrangement are what the president calls "sound while he rode." conditions"!

can you trust them to own it? If they are not safe to own they are not safe to control.

THE panic will come as long as the people feel that they must have it and cast their votes to bring it around.

THE scientific analysis of the capitalist system made by Socialists and the forecast based upon it years ago are now realized. The panic is on and all the magic of the sleight-ofhand performers from Pierpont Morgan to Hinky Dink cannot conjure

WHY more battleships? . Why, my son, the steel trust gets \$550 a ton for the armor plate that the senate investigating committee said the na tion could make for \$67 a ton. That's why four more battleships. There is a theft in every one of such appropriations.

THE postoffice department requires a bond from banks in which postoffice funds are deposited. Mr. Roosevelt tells the Little Rich and the Frugal Workingman to deposit their money in the banks without security of any kind. If the banks has been issued and the soldiers will not are not safe enough to carry postoffice funds without security, are Roosevelt has been arought to book; his they safe enough to carry yours?

"THE real work of statesmanship will be carried on by the silent and dignified (senate) members," says the Kansas City Journal, making fun of "ranters." Yes, and the real work of burglary is carried on by the silent and dignified members of the gang, too. But burglars do little harm to the amount of loot gathered by the members of the senate.

THERE is only one thing that prevents the abolition of the horrible social and industrial conditions that prevail. That is the prafit that some influential people make out of the conditions. The majority do not want the conditions, but they do not understand enough about the character of government to get rid of

payments." bother them then.

THE president tells you that the banks are sound and that you should deposit its money in banks except This movement has not been that the banks give special security

A CONFERENCE was recently held at the white house, President Roosevelt presiding, to discuss "currency legislation." Senator Aldrich, of Standard Oil company in the senate, was the guest of honor and principal widening gulf between wealth produced and wages paid. This has brought about a condition identical with that which existed in 1893.

Both the democratic column of the conference of the confere trusts, but they do not mind it, since they are in on his little joke.

THE Kansas City Journal, in its issue of December Sth, has an editorial in which immigration is discussed and in which appears the following: "The laws are wise in relowing: "The laws are wise in re-

That is the true doctrine of capitalism. It has no heart. It's passion for profit has blown out its conscience. The line above quoted has poisoned fangs. It would make a hyena blush. And yet it expresses faultless capitalist logic and abso-A FINANCIAL system that depends lute capitalist truth. And the peo-

THE Kansas City Journal says the dollars laid by for a rainy day. The past few months have furnished a ot made until the order has been and industrial structure into chaos. striking illustration of the utter helplessness of the capitalist class to helplessness of the capitalist class to carry on its operations without the proved lots of fun until Bob rebelled IF You cannot trust the control Johnny complained bifterly at this

TAKE YOUR CHOICE!

The Republican and Democratic parties stand for capitalism; capitalism stands for private ownership; private ownership standfor wage slavery and wage slavery stands for Poverty, Panics and Prostitution.

The Socialist party stands for Socialism; Socialism stands for collective ownership; collective ownership stands for industrial freedom and industrial freedom stands for Peace, Plenty and Prosperity.

TROOPS MUST GO

Another Victory for Prompt Action in Which the Appeal Took the Lead.

The federal troops at Goldfield will have to go, skidoo, vamoose. The edict stand on the order of going. President military order has been canceled, and he now puts the blame on Governor Sparks, the tool of the mine owners, who by the accident of politics happens to be governor of Nevada.

The Appeal proved from the very be ginning that there was absolutely no excuse for sending feneral troops to Goldfield. President Rossevelt knew this as well as Governor Sparks and the mine owners, but the usual tactics were em ployed of intimidating strikers by the exercise of military despotism. Governor Sparks had been dised and wined by the mine owners and was only too anxious to do their bidding; and when they called for soldiers, soldiers it was, and issue his requisition on the president, which he did with the alacrity of a corporation spaniel.

Roosevelt did not take the time no "THE crucial test of the panic," the pains to investigate before going to says the Wall Street Journal, "will the extreme length of sending soldiers come when the banks resume cash to the scene of a praceable strike, at True enough! People least an orderly one, at best a reprehen who have had their little funds tied sible practice, but gramathy issued the up in banks will make haste to get order to Funston to march the soldier their hands on the cash when the to Goldfield for the express purpose banks pay. If they are wise they will however it may be disavowed, of defeat-

No sooner was this order issued than the Appeal to Reason, realising exactly what the move meant, prepared under full pressure a flaming "Goldfield Extra," and through the night and day service of its presses and the force of labor that never fails at this office, spread it out over the country to sound the alarm and to arouse the people to the significance of the dastardly attack.

Goldfield itself was thoroughly covered with this Extra and immediately responses began to pour in and indigna-tion flamed out everywhere.

President Roosevelt began to hear from his action from all parts of the coun-try within twenty-four hours after the "Goldfield Extra" had reached the peo-

ple.
The "Goldfield Extra" and the promp

The "Goldfield Extra" and the prompt action of the Appeal in spreading it over the country has done its work. The readers of the Appeal and the people generally have responded nobly people generally have responded nobly for which we take this occasion to re

The capitalist president and governor marched their soldiers up the hill and they can now march them down again. All hail, comrades and friends; an-

THE PANIC.

Four weeks ago I requested our readers to send to the APPEAL reports of bank failures, closed mills, mines and factories, wage reductions, etc., in their respective localities. The result has been something appailing. I intended to print the list in this edition of the APPEAL, but it would have required more than sixteen pages of seven-columns each, set in the smallest type available, to have given the reports type available, to have given the reports already received—and they continue to arrive by every mail. I thank the comrades who took the trouble to send these reports, and regret the APPEAL'S inability to carry out the original plan. These reports from our own correspondents show how wide-spread is the industrial depression—only slight mention of which appears in the daily press. The significant fact in these reports is that it is the big concerns that close down arbitrarily, while the smaller enterprises make an effort to keep going, by cutting down running time, or lowering wages.

wages.

As a striking confirmation of what I have said, I append the following paragraph from the Wall Street Journal of December 17th:

"For the four months, beginning with August and ending with November, the hand of adversity has not been lightly laid upon the manufacturing enterprise of the country. During these 122 days the amount of indebtedness represented in the fallures averages \$78,000 a day, as figures amount of indebtedness represented in the failures averages \$378,000 a day, as figured fish and in Dun's Review. Not in six years has there been so heavy a total of failures as these, in which the monthly average was \$11.300,000. The corresponding monthly average for 1906 was approximately \$3,750,000, 'er roll!

THE panic is the common school

WHAT is your candid opinion of a bogus prosperity that invariably ends in a panic?

Panics are the birth-pangs of the new social order now evolving from the old social disorder.

GENERAL STRINGENCY has succeeded General Apathy. The capitalists are great jokers. Conscience, candor and courage

are needed in this crisis. The truth must be spoken without fear of consequences. IF you have gray matter enough

to generate a clear thought and manhood enough to express it this is your chance. The people are listen-

According to capitalist economics the panic is due to impaired credits, and this is due to scarcity of money and this to lack of confidence. The remedy is simple. Start a confi-dence factory. There is plenty of idle labor to keep it in full blast.

THE capitalist system has not yet developed to a point where it can be overthrown-but it is rapidly nearing that place. This panie has created a mental condition in hundreds of thousands who are willing to see it go, because they have lost hope of succeeding under it. Everything is bright for the progress of the social revolution.

DR. W. H. GUILFORD, registrar of vital statistics of New York, says the panic is responsible for the sudden increase in the number of deaths and suicides. The number of persons who died from heart disease for the week ending November 30th, was there was nothing for him to do but to 164, an increase of nearly 100 per cent over the same week last year. Yes, capitalism is a very desirable system under which to live.

> No financial law will pass this bankers of the land, and the bankers will not have any law that will prethough it brings a panic every other vear. To expect any relief from the exactions is to expect bankers to pass laws against their own interest. Do you expect them to do that?

THE Pittsburg clearing house refused to accept certificates from the Fort Pitt bank to make good its balince due. The bank closed its doors. The miners of Goldfield refused to scept unsecured clearing-house certificates and quit work. The president ordered soldiers to Goldfield to force the miners to accept the worthless paper. What would have been the comment of the daily press if Roosevelt had sent troops to Pittsburg and forced the clearing house to accept Ft. Pitt bank certificates in lieu of cash? Ask your local

TAFT has been a pap-sucker all is mature life. He has never done one day's useful work, never prois existence—and never intends to. He has always been on the pay roll eating up the tax money of those other day he took eight staterooms business. on the steamer, while useful citizens the whole ship? Well may it be they have grown so important? And you poor chumps support them just as your working brothers support the royalty of the old world. Will you never get onto the game?

THE Big Rich are wholesale money-getters. The only way they can afford to skin the workers is by the bunch. When they go about the idle capitalists throw them out of plunder of individuals the victims employment. must be possessed of enough to make it worth while. It pays the Big Rich better to let the Little Rich skin ciety on the basis of the common the poor and then take the plunder away from them. They let the Little Rich pull the chestnuts out of the capitalists as such must be dispensed fire, then take the nuts away from them. The Little Rich are howling trouble. Abolish private ownership a great howl at the great corporations because the Big Rich have touched them. The small fry of the capitalist persuasion fear that they will be fleeced by the big ones and reduced to wage-earners, where they will be compelled to labor and take the laborer's small share. The small fry are being gobbled up by the big of the past. fish and it's a good thing, for when the Little Rich are reduced to the ranks of the workers they will want Socialism worse than anybody. Let

\$5,000.00 REWARD.

HE APPEAL REASON has made the charge that Theodore Roosevelt. governor of New York, signed the bill that was lobbied the I h the legislature of that state by the Harriman interests that mi if he bond issue of the Chicago and Alton railroad a legal investme of or savings banks, thus securing the sale of said bonds and constant from the notorious "Alton Deal," which has been exposed by the ... retate commerce commission as the most gigantic railroad bond and die ever perpetrated in the United States.

This char nade by the APPEAL and supported by the journals ; assembly and other documentary evidence from authentic sources, has been denied by certain friends of President Roosevelt eminent in the councils of the nation, and the APPEAL TO Reason now not only reiterates the charge, but offers a cash reward of FIVE THOUSAND DOLLARS to any person or persons who can and will successfully disprove it, Senator Chester I. Long, of Kansas, preferred.

The executive and legislative records of the State of New York during President Roosevelt's administration and at the time the bill in question was passed and signed will be accepted by the APPEAL as

competent and conclusive evidence. The friends of President Roosevelt have now a substantial in-

centive to interest themselves in his vindication. APPEAL TO REASON.

References-Crawford County State Bank, Girard, Kan, First, National Bank, Girard, Kan, Girard State Bruk, Girard, Kan,

How to Stop Panics.

is to put a stop to the system which the benefit of the capitalists. produces them. A panic is but an effect. There is an active cause be-hind it, and until that cause is re-stand unflinchingly for collective moved the panic is as sure to come at ownership in accordance with the certain economic periods as the fresh- platform and program of the Socialets are in the springtime. Let us put the matter in the sim-

plest possible form. The population of the United States is approximately ninety millions. A great majority of these are people who work for wages. They work with tools called machines. These machines are owned by capitalists. With these machines the workers can produce in great abundance, but the product goes to the capitalists. All the workers receive in exchange for their product is wages and these wages will buy but or any other capitalist congress that a fraction of the product. The great does not have the approval of the mass of workers, therefore, can only consume a fraction of their product. The capitalists can consume but litvent them from making more and the more. There is consequently a more profits out of the people, vast surplus. For a time this is exported to the foreign market until that finally is also supplied.

What next? "Overproduction." The surplus has glutted the markets at home and abroad. What next? Suspend or curtail production, reduce wages and limit the hours. This means idle men, or men only half employed. They no longer draw wages or their wages are reduced. What follows? They cannot buy even the limited share of the product they could buy before. The markets are now congested. Conditions become worse. Mills, mines and factories are shut down; workingmen are idle; there is no demand for products of the farm; money is scarce and hard to get. The panic is on.

Industry is paralyzed and society s'in a distressing quandary.

Political quack doctors now appear with their nostrums. But not one of them hints at the cause of the duced the value of a biscuit in all panic if he has sense enough to know it, which is doubtful.

The same radical change would put an end to the panic would Switzerland, national council who work. In coming home the also put the political quack out of

Now we are suffering at the pres were forced to be satisfied with a ent time the effects of "overproducwere forced to be satisfied with a second-class cabin or steerage. The nation paid his bill, so why not have the whole ship? Well may it be this surplus that has choked up the asked on what such Caesars feed that markets had what they needed and what rightfully belongs to them, the "overproduction" would vanish in a

Can you not now see the cause of the trouble and the way out?

All that is necessary is that the workers shall receive the full product-of their labor. As it is now their surplus products in the hands of

This change can be brought about only by the reorganization of soownership of the tools of production by the workers themselves. Idle with. They are at the bottom of the of the tools by the capitalists and the capitalists as such disappear. Establish collective ownership of these tools and the products will all go to the workers and they will so regulate production as to freely supply their demands the year around, and the panic will-then be forever a thing

Now, how are the workers to get and reorganize society upon a co-operative and fraternal basis? is king and Easy enough, if they will use their capitalism.

brains in their own interests with but half the diligence with which There is but one way. And that they are now using their hands for

All they have to do is to unite, ist party, the only party which stands squarely on the issue of the class struggle between the workers and the shirkers. The only party which insures to all workers steady employment and all they produce, material comfort and ample leisure for pleasure, study and recreation.

This is the solution, and the only solution, of the panic problem. The republican and democratic parties, supporting as they do the capitalist system in which labor is robbed of its products and then kicked out into the street to starve, are the breeders of panies, the enemies of the people and corrupt to the core.

The Sociaist party, based upon the principles of five democracy and the greatest good of all, will put an end to panies and usher in a new and brighter era for humanity.

How soon that may be depends entirely upon YOU, THE PEOPLE.

Socialist Representation.

Slowly but steadily the Socialist sentiment is spreading; slowly yet surely the Socialist movement is conquering capitalism and getting control of the law-making power of nations. The following table shows the number of Socialist and labor representatives which have already been elected and now sit in the national legislative bodies of the leading nations of the world:

Austria, in the reichsrath.
Argentine, congress
Belgium, in the house
British Columbia, deputies
Denmark, in the folketing
Denmark, in the landting France, deputies Germany, in the reichstag Holland, in the second cham italy, in the chamber Luxemberg, in the chamber Norway, in the storting ... Servia, in the chamber

The number of Socialist representatives is increasing every year and ultimate and complete triumph is but a question of months and days. All the leading nations have Socialists in their parliaments and con-gresses with the single exception of the United States. We shall make our start the coming national election when we shall elect our first national representative, and then we shall forge ahead swiftly and lead them all in proclaiming the Socialist Republic.

THE Frugal Poor and the Little Rich have been branded as traitors to their country and as unpatriotic because they hastened to the bank and demanded their money. Even the Father of the Teddy Bear took a shot at these poor devils. It now develops that the Big Rich, including some of the society swells of New York, hid out sixty millions in currency and then demanded a pre-mium for its return to circulation. This does not include the millions hoarded by Rockefeller. Oh, yes, the Big Rich are a patriotic bunch.

THE coroner holds he Dupont-De Nemour Powder company responble for the appalling explosion at Fontanet, Ind., which wrecked that town and destroyed thirty lives. That will be the end of it. The company can stand the responsibility if the people can stand the rest. Profit is king and lives are cheep. This is

A Stupendous Crisis

BY LUCIEN SANIAL.

applied to present conditionthis expression "Panic," is, 1 dare say, most inadequate. It is not, indeed, a mere panic—a contagious state of groundless fear caused by a trifling accident—that we are now passing through. As may plainly be seen in the glaring light of the economic developments that have taken place during the recent period of capitalistic "prosperity." what we are witnessing today is a stupendous crisis in its incipient stage; a crisis of unpredecented magnitude and world-wide import, that will test to the core the mettle of which the proletarian classes of America and Europe are made.

In proof of the corrections of this view I shall here confine myself to a brief statement of facts, sufficiently suggestive without comment.

In the five years' crisis that followed the crash of 1893, the ground was cleared by an extraordinary rate of commercial mortality for the trustification of industry on a scale previously unheard of. At the same time the rate of wages fell enormously under the pressure of an immense body of unemployed labor.

Long kept within, narrow limits by a reduced demand—even for mere essaries, which many people could not buy-the domestic market had shrunk far below the national capacity of production. Our mercantile class finally sought outlets abroad. not only for the products of Amertition with European manufacturers lions! on their own markets.

Our exports increased enormously remained stationary. In the four motion; and when that lever had to years, 1898-1901, the balance of be reversed a crisis was inevitable. trade was 2,400 million dollars in favor of American capitalism, or at the rate of 600 millions a year.

To this unexpected amount of exploiters through their mechanism genitors. of international exchange, was added the Spanish war; a graft peculiarly of the assurance therein implied of would come from the maintenance and exploitation-perchance also for the expansion-of our colonial em- be secured.

At any rate we had a beginning of and for good reasons. So said many of the working people also, who here and there been raised 5 or 10 per cent, while the price of neces saries had already risen 20; nevertheless they were all glad enough to have steadier employment on any terms, for they had long been taught work for a bare living is the sum and substance of proletarian prosperity at its highest.

Yet the question was, "How long will it last"?

Then came the financier and an "It must last; with such balances

of trade I shall soon make Wall affairs is an effect, not a cause. What

Unity of action. We must Even our greatest industries (with also became fairly prosperous. More the exception of petroleum) have not profit was made by that class than vet fully emerged from the domestic could be invested in its business. land and sea transportation, which as the financiers and their respect-

Our industrial plants are not yet by was deposited in banks. any means fully provided with the The larger financial institutions most improved machinery. Ameripoint and vigilantly maintained.

with a rebellious army at home."

In accordance with this program the preliminary work of extensive discreetly unloading upon them. trustification was first attended to. trustification was first attended to. As early as midsummer of 1905, It began with the iron and steel industry on a dazzling scale of one bil-national banks, state banks, savings lion in stock and three hundred mil- banks and loan and trust companies lions in cash, it was the reward of vested in "securities." "financial ability"—as Mallock

which I lately made of the census of that the proportion they bear to demanufacturers for the year 1904 as posits has considerably increased. compared with 1900, it appears that in seventy-four industries, 11,450 der when one of the largest and most establishments were absorbed during trusted institutions of New York colthat period of four years, and that, lapsed, the consequent revelation of leaving aside the enormous amount the financial methods in vogue of pure water stock issued for the caused an immediate "panic" as a benefit of the trustifyers, the actual preliminary effect, to be immediately

increase of actual capital came almost entirely from the profits of the time-without disaster, must soon trustified industries, over and above eventuate in a crisis unparalleled in interest paid to bondholders and the past! dividends to stockholders; so that, to this extent, the water of trustifica- can easily be foreseen. The domestic tion was converted into gold. (Keep market being practically closed, forthat fact in mind, for it is—as we eign outlets will be desperately shall see presently—an important sought by the trustified industries, factor in the pending crisis.)

150,000 miles of railway, representing an actual capital of ten billions, were consolidated into nine "systems," each financially controlled by will have to be carried out at any meaningless twaddle. a "genius."

Now as to the second of the three conditions above stated:

Not only were the great industrial plants immensely improved in their mechanical appliances and general organization, but new ones were established at geographical points calculated to facilitate distribution and reduce to a minimum the cost of transportation and production.

Some idea may be formed of the extent to which this work of transportation was carried on from the census figures of the money value of the machinery turned out in the calendar year 1904, which was by no means the most productive year of the prosperity period and may thereican agriculture, which the growing fore be safely taken as moderately populations of Europe have hereto-fore required in steadily increasing age of that period. This value (inquantities, but for nearly all kinds cluding 112 millions of agricultural f American merchandise in compe-machinery) exceeded 1,500 mil-

ond great fact; for this was the lever qualities of competition"

For the same reason the enforce the still more unexpected graft of ment of the third condition of the travel to New York without change program had to be adjourned, alcome at that time, chiefly because though several local tests were made This railroad system consisted of a the "panic" will seourge the people -in Colorado and Idaho, for inmuch more of the same sort, that stance-of the drastic means by which the patriotic co-operation of change of cars, the annoyance of of a large army and the creation of the working class in the interna-a powerful navy for the "protection" tional war for the financial suprem-tickets and loss of sleep. Today the acy of its exploiters might have to

And now the question arises: How and why did it come to pass that the thing to force the railroads to go "prosperity." So said the capitalists, lever had to be reversed at the very time when the agricultural, mining, manufacturing and commercial deheard that the wages of some had velopment of the country was call- the trust is here to stay. It has made ing most loudly for a still larger a place for itself in our industrial output of machinery, especially for life as permanent and necessary as the purpose of transportation?

No capitalist mouthpiece has as yet dared to directly answer it. "Financial flurry," they say; "tempo by dire experience that constant rary loss of confidence caused by strenuous babble and the bursting of a few indiscreet banks; worst of all, "money hoarding"; and they wind up with frantic appeals to "The People" to pour into the banks, practically bankrupt, every cent left

> in their pockets. Manifestly, the present state of

With the advent of the prosper-"Three conditions, however, are ity era came a corresponding period required to attain this patriotic ob- of reckless waste and-wild speculation, highly favorable to sober financiers. Absorbed in the trustificameet the still divided foreigners on tion of great industries, these had their respective markets with crush- left the distribution trades in the ing masses of concentrated capital. hands of the middle class, which competitive stage. They must be With a part of its surplus it bought for instance, who believe that God trustified to the utmost, including such water-filled bonds and stocks is a fundamental requisite in trade ive combinations of great capitalists the people," provided a fat profit can were kind enough to let them have be made. They say "let us alone; the most powerful propaganda story 2. Perfection of machinery, at rising prices. The other part we know what is good for you."

were, of course, controlled by the and to the extent that the trust is can superiority in this respect must great financiers, and the smaller controlled, just to that extent are we be carried to the highest possible ones had to follow their lead. A getting away from individualism. considerable portion of the increas. The weakness of the present effort thoroughly subdued ing deposits was used by the trustil at government control is that the wage-working class. We cannot suc- fvers in the carrying out of their government is controlled by the incessfully fight the enemy abroad grand schemes, and another portion dividuals who own the industries. was borrowed by speculators on such It is inevitable that such control "securities" as the financiers were

lions in bonds. Half the stock, (amounting in the aggregate to 11. be regulated and controlled in the called "common," was pure water, 250 millions) more than one-half interest of all? Together with a fair number of mil- had either been loaned upon or in-

would say.

This year the deposits reached the parting of the ways: Individualism fabulous sum of over 14 billions, and or Socialism.

This splendid achievement was while no statement is as yet obtainable for line to producing a special sum of the wilderness cacua. The opportunity is open for him to produce a kind of prospective that does not turn to a pant after everal years of growth—Wall Street Journal.

This year the deposits reached the parting of the ways: Individualism because the ways: Individuali From an analysis in question, it is a notorious fact you take?

Appeal to Reason, Girard, Kansas.

Can it be then a matter of woncapital of those industries increased followed by a widespread suspension

The future outcome of that crisis now equipped with sufficient machin-Let us add that in transportation, ery to inundate the world with their products.

In other words, the second and third part of the original program ion." cost and under any circumstances.

But as an international war be various countries must evidently be fought out by masses of national labor marshaled against masses of other national labor, we may first expect a fierce battle in each nation "shepherd" in religion, and they all between the working class and its exploiters. Then may International Socialism appear on the scene as a factor with which capitalism has not vet learned to reckon.

Individualism or Socialism?

"The best hope of protecting the country against the extremes of individualism, which is anarchy, and against the perils of Socialism, hes in intelligent government regulation—regulation that will give us the industrial efficiency of combination and the life-invigorating qualities of competition."—Wall Street Jaurnal.

Which is like saying that we ought to have light and darkness at a given fruit of a corrupt and decaying sysplace at the same time. Competition died when combination stepped mentality. This point, the simplest Reader, bear in mind also this sec- to the front. The "life-invigorating disapwhile our imports, for a time at least, that set the prosperity machine in peared when the "industrial efficiency of combination" was developed.

In discussing the solution of pres-And so strong was the motion ent-day problems, competition, as a thereby imparted on the domestic remedy, must be eliminated. It is field, that, so long as it lasted, the not possible, neither is it desirable, original scheme of financial domin- that Standard Oil-be divided into a surplus value, created by American ion over the world's markets had to thousand competing plants. You un-

of cars and over one railway system. score of lesser companies a few years no more. ago. This necessitated frequent tickets and loss of sleep. Today the trip is made in one continuous run, much to one's comfort and economy of time. Wouldn't it be a senseless back to the old days of separate and competing lines?

Most people today recognize that the mower, the thrashing machine and the linotype.

Our Wall street contemporary rec ognizes this fact when it says:

"The whole population of the country may be divided into groups of isms and everybody belongs to one or the other. At one pole of economic policy is individualism. At the other extreme stands Socialism." • • •

"The struggle of corporate policy as re-iated to government is really a contest be-tween individualism and Socialism for con-trol of the corporation."

You see we are getting along fanied a year or two ago.

months ago.

Socialism."

No one except a few trust owners are now advocating individual control. Mr. Rockefeller and Mr. Baer, gave these vast properties into their hands to operate in the "interest of

Government today is making a fruitless effort to control the trust getting away from individualism. will be in the interest of the individuals whose property is subject to such control.

Does it not follow, then, that the ownership of the trust must be transferred to the nation before it can Dodge the question as you may,

Mr. Reades, you are led up to the This year the deposits reached the parting of the ways: Individualism

Panic Philosophy

BY EUGENE V. DEBS.

HE average man understands in more or less concerned about it ac-1,600 millions, or about 40 per cent. of industry, which in view of a cording as it affects his business. And right here observe that this "liquidation" absolutely impossible or his employment. But he has -not only now but at any future never studied economics and knows nothing about the laws governing social development. The panic dis resses him, it is true, but he is not philosophic enough to inquire into its cause; he simply wants to get rid of the plague.

And so the average man falls easy prey to the political quack in the service of the industrial baron who glibly rings the changes on "financial stringency," "elastic currency," "lack of confidence," "tariff revis-"trust regulation" and like

It is a fact to be deplored that the average man is a mental child; reads tween the national capitalists of the little and that mostly vapid nonsense; thinks less, and reasons not

> He has to have a "leader" in politics, a "boss" in industry, and a have a hand in fleecing him to a respectable standstill.

When this average nonentity who is potentially a man hears of a panic he thinks of it as a screw loose in a machine which a turn or two of the magical monkey-wrench of "con- their faces. fidence" will tighten up, when all will be well again.

That a panic, i. e., industrial congestion and social paralysis, accompanied by widespread poverty, mis-ery and despair, is the logical effect of an antecedent cause; the poisoned tem, does not occur to his inchoate and yet most fundamental in the philosophy of panics, must be driven home to his simple mind.

The business "panie" follows in the wake of its corollary, "business prosperity," as inevitably as the tides rise and fall in obedience to the laws governing their motion.

In a word, the "panic" and its attendent suffering and distress are labor and realized as profit by its lie dormant in the brain of its pro- derstand that perfectly well, do you the corrupt fruit of the corrupt system of capitalism, whose foundations You can start at St. Louis and are laid in the broken lives of a quivering mass of wage-slaves. Abolish the capitalist system and

WE CAN NOT Met Mr. Morran or

The Panic and Crime.

Commenting on the startling increase in crime, the New Orleans Times-Democrat says:

"The financial flurry in the east and the closing down of some industries has added to Coxey's army and sent unemployed and hungry persons into the cities by thousands. That these invaders would be more numerous was recognized early in the season, when the police inaugurated a campaign of prevention, rounding up all the tramps and hoboes they could find."

No more scathing criticism of the present capitalist regime could be made than appears in this little parmously now. Our opponents are agraph. Men must eat! Unable to ruthless hand of the destroyer. Panforced to admit that the trust is here earn a living through the closing ics are no respecters of persons. stay. This they strenuously de-|down of factory, mill and mine, herded together in great gangs in the They now admit the necessity for cities, what is society to expect but stand the shock. control, which they also denied a few crime? But is it a crime to steal onths ago.

The only question now left to set- when opportunity to work is denied; fortune was shattered and that he like a wet blanket and then tle is whether the corporation shall I leave the answer to the local be controlled by "individualism or preacher in your town. Ask him!

Now is the Time,

While the panic is on, to make an impression on the public mind and cause people to comprehend the cause of conditions by placing in the most powerful propaganda stor, ever written. It will awaken the average intelligence as nothing else would, and set the dullest person to thinking. Give it to your neighbor to read. Price, \$1.50, postpaid. alms house.

To Nationalize the Mines.

I nationalize the Mines.

London—The nationalization of mines is the latest Socialist proposal, which has been affirmed "in principle" by the Miners Federation at their conference at Southport. The proposal was made by John Wadsworth, M. P., who pointed cet how the workers were robbed under the present system of private comership. In the coal boom of 1000, he said, the output of British coal realized \$330,000,000 more than the previous year, and of that huge sum the workers got only \$57,500,000, while the coal owners and middlemen pocketed the rest. The rise in wages did not amount to mere than 50 ceuts per ion, and anything above that went into the pockets of the coal owners and the middlemen. The proposal is significant of how Socialism is appending among the labor unions in England.

Panicless Prospetity Wasted Panicless Prosperity Wanted.

Why not try Socialism?

Panics and Suicide.

There is a phase of the panic phe nomenon entirely aside from its economic basis and financial aspects which merits special attention. have reference to the sudden undoa vague way that there is a ing of men who for years have served a panic, so-called, and he is as shining examples of the possibiliand supplanted by the Socialist re-ties in "free America" and who cap public. the climax of their brilliant (?) careers with suicide.

> favors upon an exclusive class it de-ests and co-operative labor the land mands a complete and awful ac-will be filled with plenty for all and counting in the final settlement, not the day of the accursed panic will infrequently the life-blood of its be gone forever. most pampered devotees, offered by their own hands.

Every panic deals out disaster to men who feel themselves immune and who are impatient of the complaints of others that there is anything wrong with the existing order. Their nests are finely feathered, their boards sumptuously spread, and no thought of impending danger casts its shadow athwart their flowery pathway.

Presto! The markets have shifted and the financial skies are overcast. Within a twinkling the storm lets loose. Crash follows crash and wreckage and desolation mark the track of the devastating panic.

Men who were millionaires are now penniless. Stripped of their fortunes. they find themselves alone, buffeted by the pitiless elements, the doors of their former neighbors barred in

What a horrible awakening! Men who have always been poor can stand poverty, being used to it from childhood, but to the rich man, accustomed to the power of wealth and all the elegancies wealth provides, sudden poverty is a terrible shock and little wonder that in the first frenzied impulse that follows the victim seeks escape through the back-door of self-destruction.

In the present panic hundreds of men of wealth, caught in the maelstrom and swept into the abyss of the dispossessed, have ended their chances of enduring for even a few lot of millions during all their sad and wretched lives from their cribs of straw to their pine boxes in the pottersfield.

Conspicuously in evidence among the suicides of prominence in the present panic is the case of Charles T. Barney, president of the Knickerocker Trust company, of New York. Mr. Barney was one of the leading ousiness men in the great metropolis. He was accounted a genius in finance and climbed the dizzy heights with steady step until his eminence was universally acknowledged.

If there was a man in the United States a year ago who was regarded sound financially beyond all question, that man was Charles T. Barney, president of the Knickerbocker Trust company. His wealth was estimated at twenty million dollars. He was called in consultation when matters of supreme financial importance

were discussed. His was a name to onjure with. It was sufficient in itself to settle the question of the solidity of a corporation or the soundness of a business enterprise. The very name of Barney in a directorate fixed its commercial standing

beyond all doubt. From this supreme eminence and in the hour of his greatest power he was hurled into the abyss by the

wealth and power, could not with-Dazed, stunned by the fall, made

the answer to the local was but a wreck of his former self, the great financier and promoter seized a pistol and sent a bullet crashnation. Wise conclusion, indeed. ing through his brain, ending in tragedy a career that scintillated with what men regarded as brilliant but not entirely blind. He can still achievements in the half-crazed world of high finance. The moral is plain.

No man enjoys absolute economic security in capitalism. The richest may fail and fall and many of them do, and life in a plutocratic palace may be finally snuffed out in the stifling atmosphere of a ghastly

Nothing is sure and nobody i secure in capitalism. Economic security, vouchsafed by nature to every bird, is denied to man-by himself He fears he may lose his job, or fail in his business; he dreads old age when he shall no longer be able to struggle for his existence. The gaunt spectre of poverty is ever in his vision and he clasps his little hoard in his miserly hand and seeks escape as if some demon were on his track to seize him in its skeleton clutches In the capitalist competitive sys

tem each shift for self; society chaos, life is war, each day a battle. labor a commodity and all the future is wrapped in the mists and clouds of doubt and uncertainty, despair and death.

Millions go down into the bottom-

less depths of the yawning abyss. Not one can boast the kind of suc

ess of which an honest soul would dare feel proud.

Capitalism, the breeder of panics, the ravager of homes, the blighter of hopes and the destroyer of lives, must be uprooted and overthrown

When the people socially own the means of production and industry There is this paradox in capitalism: While it lavishes its special the basis of mutual economic inter-

Roosevelt and the Panic.

For once the APPEAL can with clear conscience take a stand in defense of President Roosevelt. He is being accused by the American Business Man and divers other papers and persons with being responsible for the panic. "Roosevelt's policies;" they say, have destroyed confidence, impaired credits, unsettled business and brought on the crisis. It is a sad delusion these disgruntled capitalists, who probably have been smit-ten in the seventh rib in the fracas, are laboring under. Roosevelt's policies never disturbed anything or anybody, for the very sufficient reason that he never had any policies. It is therefore wrong to blame him for the panic. There would be as much reason for charging his stable boy, Governor Buchtel, of Colorado, with causing the San Francisco earthquake.

No, President Roosevelt never had my policies. He has picked up one thing after another in entertaining the galleries and dropped them all at the command of his political masters. Roosevelt is a graduate of Boss

Platt's school of politics, which has no policy but to play the people for fools and fleece them to a finish. When Roosevelt was governor of New York he took his orders from Platt and in reward Platt promoted lives in suicide rather than take the him to the presidency. It is to the old sinner's credit that he has since weeks the horrors-which fall to the expressed his regret for making Roosevelt president.

No, President Roosevelt cannot be charged with the panic. He has uite enough to answer for.

Roosevelt and the panic are alike products of the capitalist system and oth are doing their share to hasten he overthrow of that system.

Within a few days Roosevelt has citerated his determination not to e a candidate for a third term. This innouncement has been a long time coming, notwithstanding it has been the subject of continuous discussion in the capitalist press during the past two years. It is true that the president had previously announced that he would not again be a candidate, but the people would not believe him. His friends said he would accept to save the country and that his patriotism could be relied upon not to forsake the people and allow the nation to perish. But the president kept the people in suspense; would not say a word to allay their anxiety

And thereby hangs a tale. out" the situation and awaiting the psychological moment. But the more he felt the more he found that he followed the announcement that he would not be a candidate for renomi-

read handwriting when it appears on the wall in electric letters. President Roosevelt when his term

expires will be a political corpse. In follow leaders that are the lieuter six months, when the republican ants of capitalists. nomination is made, his name will scarcely be mentioned. Were he to run for office again he would be buried in an avalanche of ballots

It is therefore easy to understand why Roosevelt positively declines the renomination in one breath and in the next aims a vicious final kick at the Western Federation of Miners by shoving the federal troops into Nevada at the behest and for the special benefit of his personal friends and campaign contributors, Simon Guggenheim, of Colorado, and W.

A. Clark, of Montana, whose names are in the pantheon of plutocracy and whose claim to distinction rests upon their holding the market rec-ord for high-priced seats in the United States senate.
Roosevelt and the panic are of a

piece, and in another generation or two will be remembered only as plague spots in the history of a be-

Why Government Control?

BY FRED D. WARREN.

the capitalist has built, through his own individual initiative and enterprise, the great machines of wealth production and distribution, why should government seek to control them?

In whose interest does Mr. Roosevelt and the republican and democratic politicians seek to control and regulate trusts?

Do not the railroads, the oil refineries and coal mines belong to Rockefeller, Gould, Morgan et al.?

What business, then, has government to step in and say that these industries shall not be controlled in a manner entirely satisfactory to these gentlemen?

The fact is that whenever your party admits as both the republican and the democratic parties through their spokesmen have admitted-that the trust magnates are no longer competent to run their own business without interference on the part of government, then have you acknowledged that private ownership of industries has reached a point where it becomes a menace to the nation.

Forced to this conclusion, as you have been by the logic of past events, you are ready to take up the next phase of the problem, viz., ownership.

You can't dodge this problem because ownership carries with it control.

If you have made up your mind that the nation shall control the trusts, you will be forced by the same inexorable logic of necessity to make up your mind that the nation can control them in no other way.

The Working Class.

Social groupings change from time to time in the evolution of the race and social systems develop, flourish, decline and fade away. In the present system there is a distinct class known as the working class. This class works for wages, principally with its hands, produces all wealth and is numerically in a great majority.

There is another distinct class called the capitalist class. This class works with its brains. Its function is to secure to itself the wealth produced by the working class. Of tself it produces nothing-except poverty and panies.

Now it is clear that if the working class, which also has brains (althought it does not seem so), would only use them, it would not need the capitalist class to rob it of its prod-

The present social system is based upon classes and its troubles are due to the ceaseless conflict of these classes. The idle capitalists who produce nothing and the industrious workers who produce everything are

at war over the product. Now, there are those economists who say the workers cannot get along without the capitalists. They are not joking, either, and that is the joke of it. But it is easily explained. And thereby hangs a tale.

President Roosevelt was "feeling of the product legally stolen by the capitalists from the working class. And so they quite naturally conclude that the interests of capitalists and was spent and that he was slated as a back number. He waited and con-ought to be good friends, which is tinued to "feel" the country. Then tantamount to saying that the incame the panic. Another sharp deterests of burglars and their victims Barney, with all his fabulous cline in his stock. He rushed to are identical. According Rockefeller and Morgan, threw him-logic if it were not for the capital-self upon them and cried "Simply ists the workers would be in a sad to thy cross I cling." Another fall plight—they would have nobody to in the Roosevelt market. Then came rob them of what they produce and would not know what to do with their wealth

The trouble, and the only trouble, with the working class is that it does not use its brains. It does not develop the mental capacity to think for itself. It is content to read newspapers that belong to capitalists, listen to politicians, priests and preachers that are paid by capitalists and

The working class has got to open its eyes and come to its senses; think for itself and act for itself. It is high time

Shake off the barnacles, ve workers of America, and muster your class for action!

Wipe out trade divisions and organize in one vast industrial be in the interest of the whole working class!

Join the Socialist party whose po litical banner is the only one in-scribed "The Working Class," and march in a united body to the ballot box and emancipation.

Still Had a Kick.

corner seat in an already creway car to go in search of to eat, leaving a rug to reserve On returning he found that in a rug and the protests of his fell gers the seat had been usurpred man clad in handsome clothes. Ingeres she turned uron him; "Do you know, it, that I am directors' wives?"

Appeal 25c year in Clubs of Four. Colors only wife I should still protest

CRISES IN THE UNITED STATES

BY F. M. EASTWOOD.

regularly recurring periods of "hard taken many years of successful op- the same as ever. A million workers duction, it does not follow that they or wealth.

Money or accumulated wealth may any. or may not be capital. To be capital it must be in motion functioning in the capitalist process of production. But money and wealth canitalists, and capitalists are impossilieve, is in reality a process-a comand those who produce

The man who owns wealth becomes a capitalist when he buys material and labor power, merges the two products and sells the product health or amusement, but that by converting a certain amount of more money than he had at the beginning. These conversions of money into materials and labor power and the reconversion of the product so obtained into more money form the units of which the process capital to a slow and conservative basis.

To interfere with this process in any way is to precipitate a crisis. For the capitalist system to operate smoothly there must be a continuous buying of materials and labor by the capitalist and a continuous selling of products by the same party. There must be a continuous selling of labor power by the wage workers and continuous buying by them of the things they have made. But the laborers cannot buy all the things they have made. If they could, they would get the full product of their labor and there would be nothing derived from the process by the capitalist. It is necessary for the capitalist to find a market wider than that of laborers to absorb the surplus which those workers are unable to

To provide this market for surhus products the capitalist utilizes ach of the institutions of capitalist iety. In the first place he uses the church, which sends its missionaries into foreign fields to cultivate a desire for civilization-namely, the things the capitalist has to sell. Then s the government, which sends its soldiers to protect the missionaries and finally establishes a purely commercial missionary called a consul. And it not infrequently hapthe untutored can appreciate.

he learns how to wear clothes and wasted or disposed of at its real take medicine to cure the whiskey habit which he has learned from civ-operations on a possible basis. ilized man. For this he pays with s gold and sometimes wares that exchange for gold in some other for-Then the gold comes back to the land of the capitalist to be invested in more materials, more dence and sudden contraction of labor or in the property of those who are being expropriated by the

To realize on these surplus prodth merchandise that can't be sold. was triumphant. here has been a alled overpro The buk sts when he called upon to

apitalist system had got far enough tracts were beginning to make themonder way to produce a surplus that selvs felt, and in the few years precouldn't be sold in Europe because ceding the present time had made that part of the world had been imsuch progress that when the bubble

poverished by the military career of burst with the failure of the Knick-Napoleon Bonaparte. These wars, erbocker establishment in New York which had stimulated trade through the capitalists had the industrial sitenormous consumption of products uation well in hand and laid off thouand the withdrawal of producers sands of workingmen before the surfrom their regular work to serve in plus had accumulated to any great the armies of Napoleon or his one- extent. This present panic came six INANCIAL and industrial mies, now involved all nations in years ahead of time by reason of acare phenomena pe- the ruin that followed. American celerated production and will likely crises are phenomena pe- the ruin that followed. American celerated production and will likely culiar to the capitalist sys- capitalists had overreached them- prove far less disastrous to the big of production. To compre selves in land speculations and trans- capitalists than preceding crises, but the nature and cause of these portation schemes that would have the effect on the working class is es" one must analyze capital: that eration under prosperous conditions are today out of employment because mysterious something which all pro- to pay for. Factories closed and the they have made more things than fess to clearly understand, but the streets of New York, Philadelphia, they can buy or than their employers real essence of which is obscured no Baltimore, Pittsburg and other east- can sell. All or part of them will the alleged economists than ern cities were thronged with desti- remain permanently out of employby the thoughtless man of the street tute men and women seeking work. ment, for the organization of the fac-who imagines capital to be nothing Prices fell, but the unemployed could tory owners is so perfect that entire more or less than accumulated money not buy at any price, since they had industries are controlled from one no money and ne means of getting source, which prevents the enormous

3

stead of being charged to the real most beyond comprehension. The cause, were blamed upon the national steel trust, one of the most highly bank which had been chartered three organized, has probably discharged not be capital unless directed by cap- years before and had served its part more men than have been let out in the process, but was no more than from any other one industry. ble without laborers as well as a part of the process. The national wealth. It takes wealth, capitalists, bank went out of existence in 1834 laborers and activity to constitute with its failure to secure a renewal capital. It is, therefore, apparent of its charter, and state banks took that capital, instead of being the its place only to stimulate another simple thing some would have us be- expansion of credit and activity that culminated in the crisis of 1837. process involving not only Transportation and land companies h, but also those who own again entered on a career of wild speculation. Cotton planters spent all they could gather and went in debt for land and slaves, for they had a great and growing cotton market in England

on the market. The man of wealth 1836 that put the cotton factories ocrats would throttle the trusts and mes a capitalist, not for his out of business or on short time and correspondingly reduced the price of cotton. New Orleans banks, which wealth into materials and labor had lent largely on cotton, went to power, and then by converting the product of that labor power into money he has at the end of the cycle panic that resulted in a general fair in prices which involved real estate as well as factory products. After five years of depression the country got rid of its surplus product and surplus credit and got down again

In 1857 came the third panic, which was, as usual, accounted for as the result of undue speculation, that will abolish the useless finanthe historians generally overlooking the fact that all business where the capitalist system of production prevails is a speculation in the surplus that each worker will get the full product of the working class. The value of what his labor produces, country suddenly realized that it had more railroads, more ships, more coal mines and more iron mines than it needed. This panic did not affect tificial means as a foreign market. the workers so much as the preceding one, as land was more readily acquired for use and the hard times were literally escaped by the workers running away from them into the west to search for California gold or "squat" on the western plains.

The next panic followed the period of artificial prosperity resulting from the civil war. War tariffs and war prices had stimulated production, which as usual in such times was paid for partly in substance and partly in promises. Inability to sell goods on hand made their owners unable to pay debts falling due. As 1857, too many railroads were being nothing with it on either side except built. The homesteaders who had run away from the preceding panic had unto a man piling up millions of caught the credit fever and borrowed money on everything they owned in not doing anything with the hats he order to buy more. The failure of already possessed. It is as silly as pens that the same ship which con- Jay Cooke, the leading banker and the custom of the ancients in hoardveys the first contingent of religious financier of the time, was the signal ing up stone and wooden idols, and teachers to a heathen land also care for a general screenble to care which the man who had the most was the hers to a heathen land also car- | for a general scramble to cover which ries a cargo of merchandise, such as was to some extent aggravated by when the savage becomes civilized But the surplus was finally used, your brain.

Barring a little financial flurry in 1884, which was not of any national consequence, the next panic came on schedule time in 1893. Fear of unlimited silver coinage is usually given as the reason for the loss of confibusiness. Frantic demands for payment in gold were made when payment in anything that would in turn pay the debts of the receiver would acts the capitalists build a great com- have been more than acceptable. The merical machine, which is operated capitalists of the east who owned partly by means of money and partly mortgages on western farms were de-by means of credit. He may pay for sirous of keeping as much value in some of the ships that carry his each dollar as possible and went into goods to other shores, and the pros-fits at any proposition to inflate the pects of quick returns may lure him currency, while they held up the free w other ships to be paid for with silver bugaboo to a startled peop's alized in the future, until in the election of 1896 free out suddenly he finds that the for- silver was decisively defeated and on and home markets are filled four years later the gold standard

Before this the industrial capitalhis ships ists had conceived the idea of so or or themvolume of production and overcome to some extent the recurring periods of panic and stagnation. Trusts. The first of these in the United mergers and combines, manufacters occurred in 1819, when the turers' associations and working con-

accumulations that with

The result is that financial flurries may be looked for more freinstead of coming once every twenty cars and involving all workers, will ikely spread out over the twenty years and become a chronic condition for a large number of the workng class. Were the capitalists pernitted to perfect their organizations t is likely that they would soon eliminate financial panies altogether, but the reactionaries always "view with alarm" the efforts of capital to com-But a crisis overtook England in plete its mission. The so-called demturn the wheels of progress backward, and they succeeded in fooling some of the workers into thinking that such a program is of benefit to the working class.

It is safe to predict, however, that he forces of reaction will only delav, but not destroy, the methods of modern business. The overthrow of the trusts is a mission reserved for the working class to bring about when the time is ripe and all the conditions become such as to demand it; but they will do that work by establishing an industrial republic ciers and with them their financial panics, and that will further perfect the organization of industry so precluding the possibility of an industrial panie by consuming as much as they make unassisted by such ar-

Money.

The money of any nation should not be current in any other nation. Then it will stay at home and perform the function for which is created. Foreign exchange is always made by reason of exports and imports, and balances of trade should always be a "balanced account," as its name infers. Any other kind of money will be an aid to speculation. and has been the direct cause of more than half the wars that have devastated the earth since history began. How silly to ship yellow metal back at the time preceding the panic of and forth across the ocean, doing to hoard it for a time! It is like hats and wanting more, when he was most respected, though he had nothing to eat. Sweep the cobwebs from

THE SOCIALIST VOTE.

The Socialist vote has steadily gained in this country since 1888. Since that time the vote has been:

1888 2,068 1897 55,550
1892 21,512 1898 82,204
1894 30,120 1900 98,424
1895 36,275 1902 225,901
1896 36,275 1904 403,338
That the United States stand well in
the front in the socialistic movement the
world over is shown by the following
figures of the Socialist vote polled at
the last general elections in the coun-
tries named, in most of which the elec-
tive franchise is restricted:
Argentina, 1903 5,000
Austria, 1901 780,000
Belgium, 1904 302.771
Bulgaria, 1900 10,000
Canada, 1902 8,025
Denmark, 1903 55,47.
France, 1900 880,000
Germany, 1903 3,008,000
Great Britain, 1990 100,000
Holland, 1901 39,000
Ireland, 1802 1,06
Italy, 1904 301,000
Norway, 1903 24,771
Servia, 1895 50.000
Servia, 1833

Darrow's Speech and Goldfield.

Spain, 1903

I have just re-nead Clarence Darrow's memorable speech in the Haywood case, and I must say that I am more impressed than ever with its value as a propaganda book. One, reading it, could not fail to comprehend thoroughly the conditions chaining at Goldfield. Eloquent and inspiring, it is at the same time an intimate treatment of the-Wespern mining situation. The price is 25 cents, \$10.00 a hundred, \$50 a thousand.

EXTRA COPIES of this edition

QUESTION BOX

Appeal to Reason, Girard, Kansas.

I see by history that panies come requirily in this country about every twenty years with a small panie sandwiched in between each of the greater ones. How would the astablishment of a Socialist government do away with these regularly recurring crises, which seem to be inevitable —A. M., Portland, Ore.

While panics are an inevitable re sult of the capitalist system of proare a necessary part of an equitable system. Were each productive laborer to receive the full value of his were too much of everything on hand labor's product, each could readily at any one time the producers being adjust an overproduction by quitting the owners of those things need only Quixote, to kick up dust, dress like moralities of the piety peddlers and work until the surplus were consumed. But under the present sys- were used up by themselves. tem the surplus does not belong to there could not be too much of auvthe man who produced it. The man thing so long as needed by anyone and scold, and fuss and fume, to have who produced it has neither it nor who would work to pay for it. As usual all these calamities, in- means of production would be al- the means of sustaining his life while the surplus is being disposed of.

You can readily see that there was not and could not be such a thing as overproduction until the individual members of the working class became able to produce more than was required to supply their immediate needs. And you can also see quently, while the industrial crisis, that after the average workingman became able to produce more than enough for himself he could have so all he made, no matter how much.

But when he works for wages and receives in the form of wages a less value than his labor has brought forth, there goes into the hands his employer a surplus value which the laborer is unable to buy back The more productive the laborer becomes the greater is this surplus which is not his and which he unable to purchase. This places his capitalist employer under the necesity of finding another market for the surplus, and unless he is sucessful in finding such a market the product will accumulate and force him to discharge the workers who then become less competent than ever to buy what the capitalist would sell. The worker is not only a producer,

nd women, represent lies in providing YOUR-with a steady and reliable oppor-to use YOUR abor. Socialism is ily system that will furnish that op-nity—in fact, that is the one-thing see only thing that Socialism ways it

an do.

To get that opportunity for your labor
you will have to be a bustler for await,
and use your personal force in spreading
socialism, just as the plutocrats put is

but he is also a consumer. since his wages are not sufficient to purchase all the value his labor ers found to take the surplus and juggling conspiracies, "bulling" and pay the employer the price for them, which constitutes his profit. Were this surplus small enough and did and similar benevolent capitalist de ployer might personally consume, he might use up the surplus; but the surplus off one employer may consist of mountains of coal, which will more than warm him, to be sure, but which cannot feed or clothe him unless sold and the proceeds converted into food and clothing.

Under such conditions the man ers, since he has more than enough high offices brazenly prostituted, and banks hold only a small part of the industries have passed through an industry and hand it over to the per cent of cash to pay what they experience similar to his. The steel scions of capitalist nobility to be owe. A number of readers ask how workers cannot buy coal because they have made too much steel and their riotous self-indulgence.

The starting point of the fast and furious financial whirl which wound mill hands can't buy coal for the same reason. Farmers and shopowning mechanics may have an abundance of the special articles abundance of the special articles of the special articles and which their labor creates but all by the trusts and which the trusts are responsible to more that the banks have more deposits than there is money. By canization. It is this legal organideposits than there is money. By canization that is issuing the "clearing—deposits than there is money. By canization. It is this legal organideposits than there is money. By canization that is issuing the "clearing—deposits than there is money. By canization. It is this legal organideposits than there is money. By canization that is issuing the "clearing—deposits than there is money. By canization that is issuing the "clearing—deposits than there is money. By canization that is issuing the "clearing—deposits than there is money. By canization that is issuing the "clearing—deposits than there is money. By canization that is suing the "clearing—deposits than there is money. By canization that is suing the "clearing—deposits than there is money. By canization that is suing the "clearing—deposits than there is money. By canization that is suing the "clearing—deposits than there is money. By canization that is suing the "clearing—deposits than there is money. By canization that is suing the "clearing—deposite the bank and private the bank and private

clothing in the hands of the factory neck and lifted him into the presi-owner causes the people who worked dential chair.

This statement, however critically no profit in banking. If the bank of the capitalist system, and can be expected at intervals so long as the workers are silly enough to submit to continuous and systematic robbery, together with these inevitable to continuous and systematic robbery, together with these inevitable to continuous and systematic robbery. The was theirs to have and several times over and get an interpolation of the contract.

Socialism proposes that the producers shall own the land and ma- be said that he has made good and get free for the asking by directing chines with which they work; and, that the trusts have no cause for your request to the secretary of the that, as a result of such ownership, complaint against his administrativesury, Washington, D. C.

or its equivalent value for his own every trust. Not a pin-feather of a use. If he produces coal and ex- single one has been singed. changes it for the corn and clothing produced by other workers there dent Roosevelt upon "swollen förprevail during crises and depressions. If, under socialized industry, there The fierce facial expressions he has were an overproduction of coal, it affected before the camera represent would be because all who would work him in his attitude toward the trusts had been supplied with all the coal they could use. And the same would scenes he and the trusts exchange be true of other things that con- congratulations over the smoothness tribute to the comfort and suste- of the game. nance of the people. And if there stop production until the surplus

ernment will sooner or later break down because of the same things which produc-panics, how is it that the government has stryled so many of these crises?—T. J. Waisecary, Kan.

For the same reason that an individual can go through the colic, whooping cough, measles, chicken

pox, small pox, pneumonia and yellow fever to finally die of old age. The capitalist system, like the human body, survives these ills inciregulated his work as to have used dent to its growth to finally succumb to the sum total of its weak-There are a few people who nurse the illusion that they are going to live forever, and practically every nation has its traditions to the effect

that it is the last and perfect form of its kind, and, therefore, destined to eternal life and the ultimate rule of the earth. But the cemetery of nistory is full of such nations, which died because they did not know how to live, and because some other nations were born better fitted to live their places The feilure of human institutions

is generally caused by their inadenacy and the birth of new institutions which serve the purposes of society better. Chattel slavery, while not a producer of industrial crises, had its weaknesses, which finally forced it aside. Wage slavery has its weaknesses, which manifest themselves to some extent in panics and also in feverish periods miscalled prosperity. But nothing is perfect and all things are subject to change when the necessary conditions are

Contributory Factors.

While the fundamental and effiient cause of the modern panic is the exploitation of the working class and the consequent inability of that class, which constitutes the bulk of population, to consume its product. thereby congesting the market and paralyzing production, there are a vadepended upon to buy and use as riety of contributory factors which much of his product as he can. But, may precipitate the crisis and intensify its severity.

Among these may be mentioned creates, there must be other consum- swindling stock speculations, corrupt the market (sharking 'bearing" would be a more appropriate term) it consist of things that the em- signs for fleecing their neighbors and enriching themselves.

During the past few years of "un were concocted; reckless extravaupon the administration of wealthy lie; the politics of the state and tra- obligated themselves to pay four dolwith much coal discharges his min-tion were shamelessly debauched; jars for every dollar in existence. The workers cannot buy coal because they squandered in sensuous revelry and it comes that the banks have more

hungry because there is too much velt's election with money they stole until the deposits mount up to five corn and wheat. The surplus of from labor, put their collar on his and ten times the amount of the

need. Everybody has made too much challenges contradiction; and those be silly to build such a fine house and as a result they have too little, whose fury it will excite may abuse and go to all the expense of putting It is only one of the inconsistencies the APPEAL, but they will not dis- up those pretty gold signs that fluke

> the contract. In justice to Mr. Roosevelt it must and the total bank deposits you can

each worker shall retain this surplus tion. He has been absolutely true to

be no such conditions as now tunes" and "rich malefactors" been a necessary part of the play. -before the footlights. Behind the

To paw the earth, to snort and

cavort, to rush up and down the land, to charge full tilt a la Don He holds at naught the miserable a cow-boy and swagger like a vande-But ville hero, to be surrounded by news- far away." paper lackeys and cameras, to scowl tons of powder burnt in firing salutes in his honor, to be feted by found learning and logic of all the parasites and cheered by fools, to mount into conspicuous places for exhibition and parrot platitudes about good citizenship and the badness of the vicious, to be the whole thing and do absolutely nothingthat is Theodore Roosevelt, president of the United States, as he will discovered in the capitalist system e known to history when the pen of production, known in the Socialthat writes it is no longer dipped in the poison of plutocracy.

Theodore Roosevelt as governor of New York was deaf, dumb and blind while the insurance scoundrels, some of them, such as Depew, his own political pals, were literally gutting the insurance companies, and other scoundrels were stealing everything that was loose in that state.

It was at this very time that Roosevelt as governor signed the bill that put into Harriman's hand the gun at the point of which he held up the stockholders of the Alton Railroad company, in what is now known as the "Alton Deal" to the tune of \$62,660,000.

It was this gigantic railroad steal that started the whirl of frenzied finance. In due time the insurance companies were in the grand swim. Alexander, Hyde, Depew et al, were all true to their trust. Roosevelt looked on with calm serenity. He was paving off the bill of sale of himself and the mortgage on his administration. Later on the traction scandals were

moovered in New York and the nation was staggered by the stenches. For daylight robbery of millions of dollars under the very noses of its custodians this piece of piracy capped all the climaxes of scientific scoundrelism. Elihn Roof, Roose velt's confidential advisor, had hatched this satanic raid and made his fortune by it, and that qualified him for Roosevelt's cabinet as min-

So one ulcer after another broke until the pus flowed like lava and the country stood aghast. These were some of the preliminary factors in precipitating the panic which now prevails and which will wring the heart of the American people to agony and tears before it has run its course and is buried with its predecessors in the cemetery of the past.

The Bank Graft.

The total amount of deposits in all the banks of the United States paralleled prosperity" innumerable is twelve billions (\$12,000,000,000). schemes of piracy in "high finance" The total amount of money of all gance and rank corruption seized per-on December first, was \$3,269,-065,058, some of which was in the orporations, both private and publiceasury: The banks have, therefore, which their labor creates, but all these things are a drug on the market the same as the coal.

It is under such conditions as these that farmers burn corn for fuel because they can't sell the corn to get the price of coal. And the mine owner can't sell his coal because the owner can't be with but one thousand, and thus beautiful the bank draws an interest from each owner can't sell his coal because the change of the bank draws an interest from each owner. That is better the same as the owner can't be worth anything.

A new Kerr book, "When Things were beaus in the factory and made the cloth- . This statement, however critically no profit in banking. If the banking to do without the garments they analyzed, is absolutely true and loaned only its own money it would

the total amount of money issued

The One-Eved Is King.

% per year in clubs of four.

BY BRUCE ROGERS.

N the rich folk lore of Andalusia there is a quaint saying that "In the land of the blind the one-eyed is King." It is to say that he who understands the clearest is best fitted.

The Socialist's comprehension of public affairs is his armour and shield. He despises rainbows of promise and the delusions of hope. is not concerned about a "happy land He interprets disturbances in the

social order most accurately because back of his philosophy is the proexact sciences.

He analyzes the doings of men in the light of the doctrine that we follow that thing which we conceive to promise us our most substantial good.

Under a principle which he has ist books as the Law of Surplus Value, he can tell you why every so often the wheels of industry must stop, the factories shut down when men do want for the very means of comfort and life, and why when the bosom of bounteous mother earth is swollen and taut with the wealth of plenty yet must the little bellies of children be pinched and shrunken, and wolfish hunger stalk the lives and smite with wretchedness abject the laughing eyes of the innocents who dwell in the places of the evil smells.

His notion of the Struggle for Existence is a true accounting for the fact that the beautiful daughters of toiling sires must be fed like the maid Andromeda into the insensate maw of the world's chief mon and the Scarlet Door mark the beginning of their joyless journey along a tortuous and miasmatic path to the pottersfield.

He can tell you why the panie is, and why others must come, so long as the present merciless system obtains. And the Socialist is the one man who can explain to you our ridiculous president's insne and senseless message, and how that wordy document comes to be refuted by all contemporary fact.

The Socialist is an incessant

reader of books.

Open at least one eye!

What Is a Clearing House?

In country towns where there is more than one bank, you will see the cashier or teller from one of the banks going to the other taking the checks of that other bank back to get the cash or pay the balance due such other bank at the close of each day's business. In large cities a more elaborate method is pursued, be this bank to bank visit each day would be too slow and troublesome. So that a member of each bank repairs to a place called a clearing house, and each takes with him all the checks on all other banks taken in by his, The total amount of money of all kinds—gold, silver, paper and copsent and charges it with all the checks that have been brought against it. If the balance is against the bank by reason of having me checks presented against it by all checks that have been issued by all er banks than it has tal of what their labor produces, and all that capitalism might continue to money in existence, so that they have the other banks, it pays the balance sets out to sell his coal. But other wring from labor the reward of its not on hand but about ten to fifteen and thus equalizes the accounts. Or and thus equalizes the accounts. Or vice versa. The banks admitted to

"THE SCARLET SHADOW."

FINANCIAL COLUMN

BY THE FINANCIAL EDITOR.

I the present moment we see greatest and strongest nation" that has ever functioned upon this globe standing in terror around vances, is still there, wreck of the one proposition which they fondly but erroneously believed to partake of the nature of the Supreme Power-that is, a fixed and immovable financial system. This wreck is composed of the remains of the banking system of the United States, long referred to by those having axes to grind and by those ignorant of finance, as "the best banking system on earth." In

norant guesses, and still others are the reasons put forth by those who are themselves to blame for conditions, whose cries, as they fly up an alley way, sound strangely like a thief with the plunder under his coat, who is endeavoring to start the pursurers on the trail of an innocent person while he himself escapes with

In brief, in order to make a starting point for this tale, the large bankers of New York City and their speculative friends are the worthies who are, without going deeper than the surface, to blame for the present conditions. Primarily, of course, a defective industrial system is to blame, a system which places a premium on rascality, offers rewards to bankers who "take chances" and makes great and strong those who betray the trust of those confiding in them to their own advantage.

This is what the speculators and hankers of New York City have done. They have lost nothing by the present panie-in fact, they are making money in large quantities every day. loaning government funds, on which they pay no interest, to those in distress at high rates of interest, and this distress is caused by the fact that the New York banks decline to meet their own obligations. And how does it come that New York banks are not able to return to depositors the funds which were left with them? How does it come that the hanks in the interior of the United States are denied their own reserve funds, and so compelled also the preventing the compositors of the contract of the united states are denied their own reserve funds, and so compelled also the preventing the compositions of the contract of the united states are denied their own reserve funds, and so compelled also the preventing the composition of the united states are denied their own reserve funds, and so compelled also the preventing the composition of the united states are denied their own reserve funds, and so compelled also the preventing the composition of th to dishonor themselves and to lose entirely destroyed? How does it work? through the fact that years past the to pay its depositors.

SUBS RIPTION COUPON...

APPEA' TO TEASON, Girard, Kansas:
Find enclosed Is dents, for which send the Appeal to Heason one year to the fallowing address:
Name!
Street .

and persistently declined to purchase Union Pacific railways. These roads

is over \$1,000,000,000 of railway and taken them over and operated them industrial collateral in New York at cost, for the benefit of the fool City upon which money has been ad- citizens, it did not do so, because the the people composing the vanced and spent, and that collateral, Standard Oil was afraid the govern except what the government has ment would "lose money" on the optaken over as "security" for its ad- eration. In fact, quite a number of

real state of affairs, I append an ex- welfare of the state at heart, they tract from an editorial in the New agreed to themselves assume the bur-Yor, Press of March 14th, the date den. The condition was an easy one of the first panic which indicated to -the United States practically the public that something was wrong. turned the lines over for a nominal The Press is a republican paper, and its main error lies in supposing that the full effects were visible, which they were not, and are not even vet, railway lines of the United States. The editorial reads as follows:

those having axes to grind and the best banking system on earth." In a sense this is true, for it is a fact in nature that there can be nothing wholly bad or entirely good—and hence, while the system has not proved itself to be entirely good for every one, it has, bevond question, been a source of wealth, honor and preferment to certain gentlemen, who may well say, even now as in the past, that it "was the best banking system on earth"—for them.

Today, therefore, we have before no another object lesson in the fact that nothing in this state is stable—that all is change, the sold ever giving away to the new, only to be superceded itself at a later period.

To attempt to discuss the monetary system of any government would be to require several volumes, made into books—therefore, I shall outline to you, as briefly as possible, the immediate cause of the financial panic. Many reasons are given, some of them approximately true, but with evident desire to hide the real inside facts—others are ignorant guesses, and still others are incompleted in the country have been used for buying swhich ought to have been used for buying the ou one numbred minion doubter of shares of other and called them, by the mere press of merging, worth live hundred millions hey have issued securities to themselve suring their possession of the actual porth of the properties and printed countries securities representing the water poursed into the merger. Tall uff they have poursed into the merger. Tall uff they have peimed off on the published of the properties of the published o

stuff they have paimed off on the phone as the original and increased value of the roads and gathered in fabulous fortunes by the operation.

And because the railroads were being handled by the lawyers and stock market gamblers to make a saturnalia of speculation; because it was of more importance to them to take from fifty to one hundred points of profit on margined accounts in the Stock Exchange than to convey the traffic of the country in hand, and to provide for that in prospect, the railroads themselves have been going to the dogs. For lack of proper equipment, track inspection, laisor, etc., they have been mardering passengers and blocking freight to a degree mapproached anywhere eise in the world and never before paralleled even in the United States. We know of a case of a railroad paying 8 per cent dividends (deciared to mark up the price of the stock so that the gamblers could unload at tremendous profits) which had a lever break in a switch tower, and the whole system was tied up because there was not an extra lever ready to be put in. To make a bookiesping showing which would induce the public to take the stock at more than 204, the road was not boying necessary supplies like thes. Talks, apikes, levers and switches II is doing this thing at this very minute. If a incomotive breaks down, there is no other tvallable to take its place; the train must be aboundoned?

The high financiers and stock market.

other available to take its place; the train must be shoundoned?

The high financiers and stock market gamblers have played their game to the finit. They have made their tens and hundreds of millions. But the public has bearned what is the matter—why there aren't cars enough, why the trains don't runs on time, why perishable goods are not delivered at their destination until they are rotten and useless, why the mortality from collisions, derailments and other causes climbs to record a terrible stancher of the public. And so in all the states the citims are rising to come! the railroads to seems are rising to come!

in a moment's time all that it has is very simple. One needs but to own is supposed to be the ideal investtaken a life of hard work to build the majority of the capital stock of ment in the face of possibly bad conup? How does it come that in every a bank, and if he stands in with the ditions. town and city and village that there banker not even that much is need And in order to give you an idea is a bank that the men who operate essary. For the banker is supposed of how hundreds of millions was it must avoid those who have here- to loan out the money that is depostofore been their friends and custo-jited with him. If there is a profit mers, and when forced to face them it is his profit. If he makes a mistract from the Wall Street Journal, must take the humiliating position take, or if he takes chances and fails, dated January 23d, 1907, giving the that they cannot return the funds then the loss falls upon the depost proposed flotation of bonds by a that they have accepted on deposit? itors. There is no check upon what How is it that not only thousands he may do, honestly or dishonestly. 1907. You must recollect that the of bankers throughout the nation It may be pointed out that there is must accept this stain upon their a check through the national bank lowest limit, as "needs" go-for they honor, and also in addition must see examiners, government supervision, well knew that the banks of New their business badly injured if not etc. If there is, then why don't it York were in no condition to furnish

handicapped and much of it ruined? out when practically every bank from upon funds kindly advanced them by It came about, my dear inquiring sir, the Atlantic to the Pacific is unable the government. The amounts given

out the deposits of their customers bank, no matter how it may be ob- amounts issued in past years by the out of their earnings. They used Roosevelt regime, for the floor of (which includes the reserves carried tained, the rest is easy. One merely entire aggregation of promoters, by other books in their care) to assumes the face of honesty-simply stock-waterers, green-goods men and speculators and others, accepting does a fraudulent business as legiti- dark-lantern experts: therefor stocks and bonds as secu- mate business is usually conducted rity, upon which they could not re- It is a much safer way than to enter alize because the public has steadily the bank with a jimmy and a dark the bank with a jimmy and a dark lantern, for after one has extracted ! the funds, the forms of law being observed, there is quick and easy "immunity from prosecution" to be se-

> great reserve bank of the nation. It is controlled by the Standard Oil, through a comparatively small

amount of money. Mr. Harriman is the agent of the Standard Oil in acquiring railroads. Total of above three classes \$1.020,000,000 Mr. Harriman is the agent of the Some few years ago the United Now, the funds they ask for are on States government practically gave the top of huge borrowing extending

were "bankrupt" at the time, and And it so happens that today there while the government could have In order to give you an idea of the bued with this fear, and, having the

> Today, in less than a decade, the Union Pacific is one of the greatest

Now the Union Pacific did not cost the Standard Oil crowd any great sum of its own funds. They took over the road, issued the stock to themselves, and then for the purchase money they issued bonds, which toil. they deposited with the banks as security for the money they borrowed to pay for the road. In time these bonds were sold to "investors" and the Harriman people had a railroad for nothing.

When it seemed desirable to purchase the Southern Pacific the stock was paid for with securities issued by the Union Pacific; these bonds were deposited with the banks as collateral for the funds to pay for the Southern Pacific stock, the Southern Pacific stock was deposited in the Union Pacific treasury, and thus controlled by the Union Pacific stock which the Harriman crowd got for nothing.

And this process was repeated with varying details until the gigantic railway systems now controlled by Harriman were built up without any great investment upon his part, or on the part of his associates.

The money used was the funds of the depositors in the New York banks

Now, if no one but Mr. Harriman had been playing this game, things might not even yet have come to a climax. But there were others, quite a number of others. Mr. Hill bought he C. B. & Q. railway, taking stock worth a trifle over par, and gave each stockholder a bond for \$200 in its stead, thus acquiring the ownership of the valuable line for nothing Mr. Morgan turned sundry and divers tricks with L. & N., Atlantic Coast line, C., H. & D., and others, all of which took money that that worthy gentleman didn't have, and for the purpose of serving his own interests he took the funds of his own customers, giving his own stock and bond issues as security.

And this thing has been going on now for over seven years. Each year has seen huge amounts of bonds placed in the banks, the money advanced and spent, and each year of the last four has seen these bonds move out of the banks in smaller volume, because the investors were getting suspicious. In December. two years ago, call money was run up to over 100 per cent in New York several times, which indicates that actual money was badly neededthat rate, in fact, means that the banks have none to loan. And, as the investors gradually shut down on the purchase of these bonds, the promoters changed the form of security The method of operating the game giving short term notes finally, which

taken from New York by the various corporations, I will append an exvery few railroad lines for the year needs of these roads were cut to the them money. Indeed, the New York come that we see all business badly. It is a very flimsy excuse to trot banks were even then doing business in the tables below, therefore, are

thern Pacific (stock)\$ 93,000,000 Sortinern Facilic (stock)
Great Northern (stock)
Norfolk & Western (corr. bds)
C. C. & St. L. (stock)
Seaboard Air Line (bonds)
St. Paul
Northwestern

munity from prosecution" to be secured from the courts, who, if a thing follows the legal phrascology, can see nothing wrong.

Let us, for instance, take the National City Bank, which is the larguest bank in the United States, the great reserve bank of the nation. It Total\$511,000,000

away its interest in the Central and from 1899 to the present year. For

The Siege of Goldfield.

Below will be found a fac simile of the unlawful and depreciated scrip which the mine owners, with the aid of federal troops, by the grace of Roosevelt, are attempting to force upon the miners:



We also present pictured evidence of the fabulous abundance of gleaming gold wrenched from the rocks by the miners, all of it, every ounce and every grain, the result of their

Next may be seen in their proper ratio the large relative share taken to themselves by the idle mine owners who produced not a whit of the treasure and the mean remnant left for the miners who dug and smelted and refined it all-just enough to keep them digging and smelting and refining more gold for their greedy masters whose hearts have become should be butchered without mercy, the nation,



Study this picture seriously for adamant and whose callous convic- but a few moments and you will see tion it is that miners who demand the cause of the strike at Goldfield what is produced by their labor and of the panic that is paralyzing



instance, the increase of the stock complete wreck, killing and maining and bond issues of the Great Northits passengers and employes continern was nearly a quarter of a billion ually in large numbers. The funcdollars, and including the amount tions of the railroad have been abanauthorized for 1907 it exceeded doned-it is simply an instrument \$300,000,000, making the terrific for chiseling dollars out of total of outstanding obligations on pockets of the unwary, in what Mr. Morgan is pleased to term an "in-vestment." that one road alone of nearly \$500,-000,000. And yet, in 1906 the Great Northern had surplus profits of over Northern had surplus profits of over \$20,000,000 after paying all expen-the resources of the government, see, all inferest on bonds, a dividend through the collusion of Roosevelt,

on the preferred stock, leaving a bare were put in. This soon went, and trifle of only 14 per cent for the common stock. And yet, during the day came when the government had no more. 1907 the Great Northern was forced to borrow some \$60,000,000. The ent to the fate of the general public, Chicago, Milwankee and St. Paul the New York bankers locked their has not been as fierce in financing as vaults and refused their depositors, the rest of the lines—and if had left and the various banks throughout at the end of 1906 a comfortable 19 the country, the money that had been per cent for the common stock after deposited with them. everything else was paid. The Pennsylvania had a year that gave its didn't have enough money for allcommon stock 11 per cent, and has the funds had been turned over to

in prospect about one-third of a bil-

lion dollars since 1899. Now a great deal of the funds borrowed by these lines has been when the government spent for new equipment, for track- money in the national banks during age and other improvements. It has the October panic Mr. Morgan took been spent on legitimate lines even it, amounting to \$25,000,000, and dated January 23d, 1907, giving the this is true of considerable of the went upon the floor of the New York funds borrowed by the Standard Oil stock exchange and loaned it out and Morgan lines. But the bonds at ten per cent-which per cent befor which this money was issued were longed to Morgan and his friends. deposited in the New York banks The reason this money was loaned and the money taken out and spent with the expectation that the bonds and bonds, and thus save the precious would be later bought by investors. This the investors did not do-and For the lower prices went, the larger as the New York banks ran dry the their losses, the less "value" there government began to put its money was in the stocks and bonds with in them on deposit in order to keep which every New York bank is things moving. The railroads made New York banks have been loaning However, with the control of the only a small proportion of the total no attempt to make improvements issued.

icy was pursued to such an extent! permittéd to depreciate until it is a

all of those in paying dividends for the New York stock exchangethe purpose of encouraging the in- money to maintain the price of vestors to buy the securities they had stocks, but not a cent for the thousands of small interior bankers sit-In the case of some railroads, not- ting amid the ruins of their reputaably that of the Southern, which is tions, through no fault of their own. controlled by Mr. Morgan, this pol- There was money by the million to cake the tickers work in the New that even the small surplus the road York brokers' offices, but not a cent had was used to pay dividends not for the luckless workers out of a job. earned-and the property had been No, there was nothing for them, and so it comes that tens of thousands of small business men are preparing now to take the bankrupt act, and

Then, coldly and calmly, indiffer-

It is very likely true that they

their friends, and the greatest gam-

bling and speculative era this nation

When the government piaced

out was to keep up the price of stocks-

skins of the New York speculators.

loaded to the gunwales and can't sell.

There was money, under the

manufacturer finds himself under- NOT WRITTEN BY PETTIBONE sold by the man lacking in scruple -and on every hand we find that a constant, interminable, disgusting fight is waged for an existence in a nation wealthy beyond the largest vision, in resources and raw material, in skilled labor and inventive ingen-

In the place of this system, which you people who have "something to trial, since much of the testimony incialism proposes one in which panics -while to labor it will give all that tail in the former trial. it produces, which is all that it ought

You do not want labor to have all that it produces? Very well; just this trial his last hope to save his worth-endorse the old parties again and less neck through the conviction of Paryou will once more, after you have tibone. Great black lines under his eyes lars, again see it suddenly swept in a savage demeanor toward his inaway from you, without fault or in- tended victim, contrasting strongly with tention on your part.

And recollect this-that when the clouds roll by the same old gang will be found not only in possession of all they had before, but of much more. The Morgans, the Hills, the Rockefellers and the Goulds will be doing business at the same old stand, only on a larger scale. And you-for you the door of Opportunity will be more tightly closed than it has been in the past.

THE AIM OF SOCIALISM.

From the National Platform of the So-claiist Party.

To the end that the workers may seize every possible advantage that may strengthen them to gain complete control of the powers of government, and thereby the sooner establish the Co-operative Com-monwealth, the Socialist party pledges itself to watch and work, in both the eco-Ing class; for shortened days of labor and defense in the Haywood trial were reincreases of wages; for the insurance of
the workers against accident, sickness and
lack of employment; for pensions for aged
and exhausted workers; for the public own
ership of the means of transportation,
cross franchises and land values, the protences, franchises and land values, the protences against accident, sickness and
turn to Colorado.

Another kidnaping scheme was nipped
in the bud by the refusal of Judge Wood
arms, whereby it was expected to place
him in the hands and at the mercy of
McPartland, an indictment against him
ment and improvement of the conditions
of the protences against accident, sickness and
turn to Colorado.

Another kidnaping scheme was nipped
in the bud by the refusal of Judge Wood
arms, whereby it was expected to place
him in the hands and at the mercy of
the workers against accident, sickness and
turn to Colorado. cceds to be applied to the public employ-ment and improvement of the conditions of the workers; for the complete education of children, and their freedom from the workshop; for the prevention of the use of the military against labor in the settlement of strikes; for the free administration of justice; for popular government, includ-ing initiative, referendum, proportional rep-resentation, equal suffrage of men and woen, municipal home rule, and the recall to be of officers by their constituents and for every gain or advantage for the workers and strengthen the hands of labor. We ties lay upon every man elected to any executive or legislative office the first duty of striving to procure whatever is for the workers' most immediate interest, and for whatever will lessen the economic and po-litical powers of the capitalist, and increase

iltical powers of the capitalist, and increase the like powers of the worker.

But, in so doing, we are using these remedial measures as means to the one great end of the Co-operative Common-wealth. Such measures of relief as we may be side to force from capitalism are but a preparation of the workers to seize the whole powers of government, in order that they may thereby lay hold of the whole system of industry, and thus come into their rightful inheritance.

WHEN WILL IT END?

A recovery from panic, however, does not necessarily carry with it a recovery from the depression which inevitably follows panic. It is unreasonable to expect that such a severe blow as has been delivered to the financial interests of this country would not carry with it a more of less protracted stringency of trade contraction. The effects of the currency stringency have already been feit in every branch of trade. Almost as in a hight many merchants have witnessed a revolution in their business from the beighth of activity to almost a complete stoppage. What is being experienced now is widesproad cancellation of orders, large reductions in the forces of labor, and decreasing railroad and industrial earnings. The passing of the premium upon currency and the free payment of cash by the banks will serve to relieve this situation. It is unreasonable to expect a full immediate return to former conditions of strenuous propeerly. It only takes a minute for a man to fall out of a

The Parable of the Water Tank.

The Parable of the Water Tank.

It sounds unreasonable, but the Appeal Book, department sold in three weeks an adition of over 25,000 coples of "The Parable of the Water Tank," and is 40,000 copies behind now. The bookman has nurned in a rush order for 100,000 more, and will soon be able to supply them.

No better way can be found than to circulate Edward Bellamy's "Parable of the Water Tank." It happens just to fit right now, and is the clearest and most vivid protrayal of our present system, and its natural results—panics—ever written. It ought to be read by every American voting 'King." and he should hear in mind, while reading it, the industrial his tory of this country—which has been a series of periods of so-called property, followed always by periods of depression, with all their attendant evils, lock-outs, closing down of factories, and hordes of unemployed men and women who must beg, steal or starve. 100 copies for \$1.00.

1,000 copies for \$9.00, 10,000 copies for \$75.00.

The Unemployed Army.

now to take the bankrupt act, and millions of wage workers are walking out upon the cold streets of the cities, the factory doors closed behind them, for how long no one knows.

Your banking system, your industrial system, is rotten to the very core. It rewards dishonesty—it punishes honest industry. The cunning in the bank wins out and becomes rich, or the depositors lose, as the case may be. The conscientious

Letter Depended Upon to Convict Made Worthless by the Testimony of Ex-Sheriff Naylor, of Caldwell.

Boise, Idaho, Dec. 21.—The trial of George A. Pettibone, now in progre will be much shorter than the Haywood and who have just lost it, So- troduced by the prosecution in the former trial will be eliminated in this, and cannot occur. That system will do Orchard is abbreviating the religious away with the plunderers effectively play he made with such disgusting de-

Orchard does not present the smug, wellsatisfied appearance that he did, since Haywood is free and Orchard sees in "saved" and "invested" a few dol- indicate the worry that is also disclosed the smooth and comfortable assurance with which he played his part at the grand opening.

Damaging Facts Brought Out. H. A. Naylor, major in the Colorado

national guard and secretary of the Mine Owner's association in the Cripple Creek district, proved an unprofitable witness for the prosecution. The questions asked him relative to the Victor riot and the destruction of supplies sent to the district for the strikers and their families, though ruled out by the court, had their effect on the alert jurymen, and it was brought out in spite of objections and rulings that the Federation men had been driven from the district on orders from the Mine Owners' assotion, that the card system was in operation, which prevented the Federation men from even seeking employment in nomic and the political struggle, for each successive immediate interest of the work lng class; for shortened days of labor and defense in the Haywood trial were re-

him in the hands and at the mercy of McPartland, an indictment against him on another trumped-up charge has been secured at Telluride, Colo., and Colorado officers have sought the dismissal of the present charge for the pretended purpose of arresting him on release and taking him back to Colorado.

But it transpires that he was not to

But it transpires that he was not to be taken to Colorado. 'e was to be taken to the Idaho penitentiary at Boise to be "sweated" by McPartland and in-duced by Pinkerton means to become another Orchard. The sheriff at Raththat may be wrested from the capitalist drum, where Adams is confined, refused system, and that may relieve the suffering to give him up to the Colorado authorities without an order from Judge W and the judge refused to issue the o thus blocking the little game of the spirators to use Adams against Petti-

Pettibone Didn't Write It.

Another sad disappointment to the prosecution was the evidence of Jasper C. Nichols, of Caldwell, Idaho, who was formerly sheriff there and had Orchard in charge at his first arrest. Nichols was put on the stand to prove that Orchard had received a letter from Pettibone, though unsigned, after Orchard's arrest for the killing of Steunenberg. This letter was reputed to have notified Orchard that money had been sent to Simpkins to pay for the Steunenberg job, though it merely said that "that had been sent to Jack." This letter was relied upon by the prosecution as the principal piece of evidence to connect Pettibone with the assassination of the ex-governor. Another sad disappointment to the

ex-governor.

Nichols said that such a letter had been received at the jail, that he opened it, that he made a copy of it and delivered the original to Orchard, which Orchard the original to Orchard, which Orchard the conditions are said it. The

ered the original to Orchard, which Orchard destroyed as soon as he read it. The following was brought out in the cross-examination:

"Do you know the handwriting of George A. Pettibone?"

"Yes, I saw several letters which he wrote during the time he was in my charge."

pect a full immediate return to former conditions of strenuous propectity. It only takes a minute for a man to fall out of a seven-story window to the ground, but it will take him many months to recover from the effects of the fall.—Wall Street Journal A dispatch from Butte, Mont. announcing the closing of the copper mine, states that they will recopen when copper prices advance, and "copper will advance in price when the manufacturing industries resume full operations, and they will resume when money conditions improve, and public confidence is restored. Pinancial conditions will improve abobyl knows when."

"The industrial depression will-continue for six or eight months, possibly for one or two or even three years. It will be marked by numerous failures of banking, and commercial houses, manufacturing, mining, and tarnsportation corporations possibly, and aven probably by severe declines in real estate in makey, if not most, sections of the country."—Review of Reviews.

The Parable of the Water Tank.

This bomb so startled the prosecution that they did not dare make reference to it on redirect examination.—D. & Coates.

THE PIG-IRON BAROMETER.

July, 1907, average per week, tons, 528,178 October, 1907, average per week, tons November, 1907, average per week tons

(From the Wall St Journal) (From the Wall St. Johnna.)
While the coke and anthracite be furnaces produced 1,828,125 tons of in the month of November, it is far that production at the present time running at the rate of considerably than 1,400,000 a month. The daily a age production in November aggreg 60,937, the smallest in more than years.

Pittsburg—There has been no ment in the condition or prospe iron and steel trade. New de steel products is practically negli while the great mass of postpowers came last me duction and shipments have conditioned.

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