

The Commercial

WINNIPEG, JULY 27, 1896.

THE TRADE JOURNAL.

Some narrow-minded persons would not allow that a commercial journal has any right to discuss political questions. Such persons are either too contracted in their ideas to be capable of intelligently grasping a situation, or they have merely jumped at such a conclusion without thinking it out for themselves. In most cases when the remark is made that a trade journal should leave political questions alone, it is probably repeated thoughtlessly perhaps, because some one else has been heard to make a similar remark, or because it has become a sort of superficial belief with a good many that such is the proper fitness of things.

It is quite true that most commercial journals themselves, take refuge behind this absurd belief in order to shirk the responsibility, devolving upon them to defend the principles which they believe to be in the interest of the country. Commercial journals have themselves put forth the argument that it would be out of place for them to meddle with political questions. Thus they squirm out of an uncomfortable situation, and delude the public into the belief that it would be highly improper for them to give their opinions on the situation. This action on the part of some commercial journals is perhaps prompted by a fear of offending patrons, or possibly from an actual dislike to become mixed up in a political discussion, but it certainly is not an honest and straightforward policy.

Of course it is not the duty of a commercial journal to take strong party sides in a political contest. There is a difference between party and political issues. Almost every important political question has a commercial side, and many political questions are straight commercial questions. What are protection, or free trade, or the silver question, if they are not commercial questions? A fearless and independent trade journal cannot shirk the responsibility of dealing with these and similar matters, because they happen to be the foot ball of party warfare.

It would be better for the country if the trade press would take a more active part in politics. We might then expect a more independent and honest discussion of political issues than is at present the rule. We cannot look for a fearless discussion of political questions from the party press. In the party press, everything is colored or distorted to suit the views of the party to which the paper owes allegiance. Party papers, as a rule, would try to prove that black is white, if it were in their party's interest to do so, and they would maintain their arguments to that end so long as it suited their purpose. With the trade press it would be different. The discussion of political questions by the commercial press would be carried on on an honest and independent basis. It would not be done in the interest of party, but for the welfare of the country. Intelligent business

men would not therefore take offence at the discussion of political questions by the trade press, even should they at times hold somewhat different opinions from those contended for by the trade journals.

If the trade and other non-political journals are not to discuss commercial questions which for the time being may be in the field of party warfare, then to whom are we to look for an intelligent and independent expression of opinion upon such questions?

WHAT IS FREE SILVER.

Since the silver agitation in the United States has been forced so prominently to the front by the holding of the party conventions at St. Louis and Chicago. The Commercial has been asked the meaning of the movement, what "free" silver signified, and what the silver people want anyway. The Democratic platform says:

"We demand the immediate restoration of the free and unlimited coinage of gold and silver at the present legal ratio of 16 to 1, without waiting for the aid or consent of any other nation."

The Democratic platform says a good deal more than this about the money question, but this paragraph summarizes the demands of the silver men.

Most people will understand what the "free and unlimited coinage" means, but they are not familiar with the term 16 to 1. To explain, it means that sixteen ounces of silver should be taken as one ounce of gold, or that it should be taken as equal in value to one ounce of gold. If the demands of the silver men were made law, any one who was the owner of silver bullion or other silver which could be transferred into bars would have the right to call upon any United States mint to convert this silver into coin for him free of charge. This would appear a harmless proceeding until the ratio of 16 to 1 is understood. This is what lets the cat out. We have already stated that sixteen ounces of silver is to be taken as equal to one ounce of gold. Now, one ounce of gold, of coin fineness, is worth \$18.60. The sixteen ounces of silver, coin fineness, is worth commercially about \$9.95. The free silver people therefore not only demand the free coinage of their silver, but they demand that it shall be transformed into almost double its actual value, by the stamp of the mint. This would be a great snap for the owners of silver, but its effect upon the currency and credit of the country can easily be imagined.

Many people will remember the fiat money agitation which spread over the United States some years ago. These agitators proposed to do away with a monetary basis at all. What is the use of a gold or silver standard, they said. Let the government print a piece of paper, call it a dollar and make it a legal tender by law, without any redemption basis in coin. Money, they said, is simply a medium of exchange, and all this talk of a gold or silver standard is nonsense. The government, representing the country, or the production of the country, is the real basis of security. The silver agitators do not propose to go as far as the fiat money movement did, but the principle involved is much about the same. If a little more than

fifty cents worth of silver can be legislated into one dollar, why not make a piece of paper into a dollar at once and be done with it. The fiat money agitators were really more logical than the present silver agitators. They claimed that there was no need of a standard or redemption value, and that the paper dollar was secured by the resources of the country. The silver agitators demand an arbitrary standard, which represents only about half value. The silver men demand a fifty cent dollar, while the fiat money men wanted a paper dollar which represented no value whatever.

If the 16 to 1 ratio of silver were established by law and free coinage allowed, it is evident that there would at once be an enormous coinage of silver dollars. The increased value of the coined silver would lead all holders of silver bullion to have it coined. Debt would be liquidated, practically, at fifty cents on the dollar, in coined silver, and the country would be flooded with silver dollars. There would indeed be the abundance of money the silver men delight to talk about, but in a debased currency its purchasing power would be limited or reduced in proportion to its actual value.

LAKE OF THE WOODS MINING DEVELOPMENT.

But little attention has been paid until very recently to the development of mining on the Lake of the Woods, and only in a few instances has capital to any appreciable extent been brought to the aid of this work. As a result, the work of production has made but little progress, but where it has, the results have been of a very encouraging nature, and give color to the belief expressed by not a few, that the Lake of the Woods country will yet be one of the best gold producing regions in the world.

It is needless here to recapitulate the circumstances which have combined for so many years to hinder the development of mining in this region. The long struggle between the Dominion and Ontario governments as to the right to the territory, and the consequent absence of titles to land therein was the first and greatest drawback; and the dishonest attempts to open up and stock mines, imaginary and otherwise, not infrequent ten or twelve years ago, had also a damaging effect. These are troubles of the past, but they left their evil effects behind them, and capital until very recently has been very shy about the Lake of the Woods.

As matters now stand around the lake, many scores of mining claims are held by prospectors destitute of the funds to go on with the work of development; and there is no doubt but many of these claims are valuable, and would yield large returns for money spent upon them. The trouble seems to be the difficulty in bringing capitalist and claim owner together on terms favorable to both. A very wise move has recently been made for such work in the organizing and chartering of the "Bullion Mining Company," with a capital of \$300,000.

The Bullion Mining Company aims at the development of mining claims generally. Where the claim owner is without funds he