

Whether Bryan win or lose in the presidential tussle, it is certain that he will be unable to fulfil his promise to lift the value of the silver dollar from 58 to 100 cents. His sole dependence is on the law of supply and demand; he by inference denies the cost of production any share in regulating the market value of the two metals; but he will find in practice that this cost is a factor in determining the price. Dependence on the law of supply and demand to raise silver to nearly double its present value must prove a broken reed. The sources of supply indicate available silver, at a very slight advance in price, far greater than the possible demand. In fact, there is already so great an over-supply of silver in the Republic that the parity of two precious metals is only maintained because the Government does not venture to exercise the right of paying current expenses or maturing obligations in silver. Silver does not now perform all the functions of a currency; without being merely a subsidiary coin, it is treated as if it were. Before the law, silver stands on the same level as gold; practically, in everyday affairs, it is treated as if it were incapable of discharging an obligation of large amount. The bi-metalism of the Republic, which all the political platforms endorse, has in practice made gold the sole standard and reduced silver to the functions of a subsidiary coin.

If Mr. Bryan were elected, he would change the policy and pay all debts, without respect to their amounts, in silver. The gold now in the country would give place to the cheaper metal and would be exported. That would not lessen the world's supply of coin. To fill the place of the gold exported silver would be imported, and produced in increased quantities from the home mines. The Republic would have exchanged a gold coinage for a silver coinage; in this way the equilibrium between supply and demand would be maintained. There would be a new demand for silver in making the change, but if the price of the metal rose at all, silver would be poured in from all quarters, and increased production in American mines would be stimulated. Not only would the law of supply and demand, which Mr. Bryan invokes, tend to keep the price far below the par of 16 to 1: the relative cost of producing the two metals would play a part in fixing their respective market prices. It may be that we are on the eve of a change in the relative cost of producing the two metals; but at present it is not possible to be certain that this will happen.

The first result of free coinage of silver, at a ratio of 16 to 1, would be to do great injustice to creditors. The operation of satisfying debts in 58-cent dollars, would be practically to scale debts in the ratio of 58 cents to the dollar. The farmers who are in debt, if they had the means of paying, and in that case only, would benefit by the spoliation of the creditor; mechanics, who as a class are not much in debt, would not stand to gain in this way. At first, they would lose before wages, as well as other things, became adjusted to the silver standard; but they would not permanently have to take 58-cent dollars where they get a gold dollar now. Eventually, they would get substantially as much in silver as they now get in gold. But before this happened, the wages difficulty would cause much trouble, in various forms. The low wages paid in Mexico and other silver-standard countries are not the result of the metal in which labor is paid. It is a difference of race, climate, etc. Mr. Brassey, as a railway contractor all over the world, paid the labor of different races and peoples, employed on the same works at the same time, different rates, sometimes as great as two to one: but he always got a value in labor about equal to the rates paid. And this is the general rule.

THE COAL MONOPOLY.

When the production of commodities is confined to certain limited territories, the supply is often brought within the control of one common interest. The producer, or combination of producers, is then in a position to levy monopoly prices upon consumers. So long as the supply is kept under strict control, the only limitation upon the price is that point at which it will pay the consumer to turn to a less desirable substitute. The coal-producing territory is limited, and the geographical position of Canada—central Canada—has made us practically dependent upon the Pennsylvania coal fields for supplies of anthracite. At different times, attempts have been made to limit the output of the anthracite mines of this district and arrange prices on a common scale; but, so strong is the spirit of competition, that it has been found impossible to arrive at a permanent agreement to this effect. The mines have very often been worked at a loss, and in several instances the companies have fallen into the hands of receivers. What the officials of the companies failed to do has, apparently, been successfully accomplished by the financiers, who under reorganization are masters of the situation.

About the end of January, 1896, the arrangement now in operation was completed. To each of the eleven companies embraced in the arrangement has been assigned a share in production of coal based upon the output of the several producers for the past two years. As was to be expected, considerable difficulty was experienced in arriving at ratios satisfactory to all the companies. The present proportionate distribution remains in effect until the end of the year, when the adjustment of the output is subject to revision on thirty days' notice from any of the companies desiring a change. The production is divided as follows:

THE COAL AGREEMENT.

Roads.	1896.	1895		1894.
	Per cent.	Pro- duction.	Per cent.	Per cent.
Reading.....	20.50	9,905,059	21.47	20.02
Lehigh Valley.....	15.65	7,360,454	15.81	15.52
Jersey Central.....	11.70	5,388,194	11.57	11.71
Lackawanna.....	13.35	6,129,260	13.16	14.49
Delaware & Hudson.....	9.60	4,347,843	9.34	9.65
Pennsylvania R.R.....	11.40	5,025,645	10.79	11.42
Penn. Coal Co.....	4.00	1,746,832	3.75	4.12
Erie.....	4.00	1,820,038	3.91	4.03
Ontario.....	3.10	1,424,407	3.06	3.31
Del., Susq. & S.....	3.50	1,905,784	4.11	3.94
Susquehanna.....	3.20	1,492,244	3.02	1.79
Total.....	100.00	46,545,760	100.00	100.00

When the agreement was consummated in January last, the coal markets were in a demoralized condition. Several companies had increased their production beyond a basis of profit. The annual report of the Reading Company showed a loss of \$699,809, or 8.1 cents per ton upon the year's coal business. The first action of the combination was to advance prices to a profitable basis, and the lists quoted: broken, \$3.25; chestnut and egg, \$3.50, and stove coal, \$3.75 per ton. This advance, however, was not sufficient for the purposes of the monopoly, and four times during the year prices have been raised. The quotations are now: broken, \$4; egg and chestnut, \$4.25; stove coal, \$4.50 per ton. These prices are gross, f.o.b. at New York tide-water.

The production of coal has been seriously curtailed by the monopoly, and one of Nature's most helpful gifts to mankind in some degree withheld from its proper use. Supplies are obtained, at present, only after tedious delay. A comparison of the production during the first eight months of the present year with the same periods of 1895, will convey an idea as to the effectiveness of the provisions made to limit supplies: