

THE MONEY QUESTION.

Government Bank with Note-issuing Powers in Place of Sub-Treasuries.

Simple and Practical Plan by Which the Present System Would Be Done Away With.

MAURICE L. MULHEMAN INDORSES IT.

Farmers in the West Would Have the Same Money-Borrowing Facilities as Merchants and Capitalists in the East.

To afford an intelligent comparison between the workings of the present Sub-Treasury system of currency and a reformed currency proposed last week, through the instrumentality of a government or federal bank, some concrete proposition for a government bank must be offered.

There are dozens of schemes for such a centralized banking institution under government supervision and control. The general lines of the scheme which will be offered in this article are merely tentative, to afford a basis for discussion. The outlines are the suggestions of the writer, but Mr. Maurice L. Muhleman, deputy Assistant United States Treasurer at New York, kindly consented to request to furnish some practical details in order that the proposition might not be wholly visionary in scope, but capable of bearing the close test of actual practicality.

Mr. Muhleman, as the author of "The Monetary Systems of the World," the standard work on the subject in this country, and by an experience of over a decade in the New York office, is peculiarly qualified to grasp all of the intricacies and effects of the workings of various currency systems.

The great difficulty in the discussion of the currency problem in this country has been the disposition of all, whether gold or silver, or bimetallic advocates, to reason from the basis of our existing system, which may be termed the Sub-Treasury system.

The mistake made by the writer in breaking away from the trammels of familiar association with our present system has hampered all discussion and produced various feeble propositions, merely variations of the present system.

And yet the change from a Sub-Treasury to a government bank can be easily compassed.

A Great Federal Bank.

As was suggested last week the Treasury should be divested of the note-issuing function entirely, and the Government relieved from every possible function which pertains to the nature of banking, conforming itself alone to the coining of money. It is proposed that a great Federal Bank should be organized with, say \$100,000,000 capital.

To this bank should be granted the authority to issue the paper money of notes, of United States, which, as in the case of the Bank of France, should be legal tender as long as the bank maintain specie payments.

The penalty for failure to redeem its notes in specie, silver or gold, would be the loss of the legal tender quality of the bank's notes, and it is needless to say that there would never be any cause for the exercise of this privilege.

In this wise, the Treasury according to its report of June 20, held \$144,850,000 in gold, against \$144,850,000 in paper money, standing of gold certificates of \$2,345,000, leaving as a net balance of gold \$122,505,000.

Of silver dollars, the Treasury, under the law, there were \$367,744,000, against \$367,744,000 in paper money, leaving as a net balance of silver \$367,744,000.

The Bank of France has the largest holdings of specie in the world. The new Government Bank would start with twice the amount of silver in the Bank of France, and about 35 per cent of its gold holdings, but with more specie, silver and gold, than that bank.

Build Up Gold Specie.

The proportion of gold to silver would be too small. It would be the duty of the bank to immediately build up its gold specie. This could be accomplished by selling the portion of the capital stock which would not be taken by the Government for gold. Another \$100,000,000 or \$200,000,000 could easily be raised by the payment of a comparatively slight premium.

During the panic of 1893 gold poured into this country in such quantities that the payment of a premium ranging from 2 to 5 per cent of the face of the gold would be a simple process.

When the United States Government wishes to secure \$100,000,000 gold it practically issues \$100,000,000 of gold in the form of gold certificates, the cost of securing this gold, which lasts a little over twenty years, is therefore \$120,000,000.

The Government Bank could not only secure the \$100,000,000 gold for a cost of \$120,000,000, but could hold it in accordance with powers which would be a necessary part of the proposed scheme.

The bank's holdings of gold in a comparatively short period could be raised as indicated to over \$400,000,000, or close to the \$800,000,000 specie the bank would be in a position to issue a greater amount of notes than the Bank of France, which has a standing in round figures, about \$730,000,000.

The retirement of the present outstanding forms of notes would be a simple process. Through their exchange for the notes of the bank, they would be converted into legal tender, and convertible into silver dollars, they would immediately be exchanged for francs, which in turn convertible into silver or gold at the option of the bank.

The great merit of the Government Bank scheme would be the expansion of the note issuing facilities of the bank, by making both silver and gold the basis of its circulation, and giving the bank the option of the holder of the note, the option of redemption in silver and gold.

Table with columns: Sales, Open, High, Low, Close. Lists various commodities like 3145 Pacific Mail, 4000 Tea & Sp., etc.

NOT A MARKET TO BOAST OF.

Real Estate Showed the Usual Signs of the Arrival of Hot Weather.

Circulation Would Swell.

With an increased demand for money, its outstanding circulation would swell, and with a diminution in the borrowing demand from the people, loans would be liquidated and its interest return, presently in excess of 10 per cent, would be reduced to 6 per cent.

To avert a possible danger from incompetent officers, a limit of circulation should be fixed at which the bank can issue notes without tax.

The limit should be fixed so that the 4 per cent tax imposed upon the excess, the tax increasing 1 per cent with each month, the excess remains at 4 per cent.

That would work a speedy retirement of the excess unless an unusual demand for money should arise at the high interest rates which the bank would be compelled to exact.

The loans of the bank should be limited to the amount of specie in the vault, and commercial paper, must be on the security of unobscured collateral.

One of the great advantages of a Government bank would be the institution of thousands of branches piercing into the sparsely settled agricultural districts, which are now suffering from the lack of banking facilities, and the difficulty of obtaining credit.

Evils of the Present System.

The evils of the present system, which also be demonstrated how the present system changes the price of crops, as perceived by the farmers, but not on account of the gold standard, as they imagine.

William Holborn has purchased of August Jacob, through Louis Lotch, two similar tracts, Nos. 1742 and 1743 Second avenue.

Charles Kermer has purchased of Gustave Kahrs, through Martin Walker, at about \$100,000, a two-story brick dwelling, with a garden, at 252 West 107th street.

Francis Hoff has sold for Peter Carl, two lots on the north side of 100th street, at 100 East 100th street, for \$2,400.

Charles Kermer has purchased of Gustave Kahrs, through Martin Walker, at about \$100,000, a two-story brick dwelling, with a garden, at 252 West 107th street.

Laura and Rogers have leased for Mrs. Hattie H. Rogers her dock property on the Hudson River, between One Hundred and Thirty-fourth and One Hundred and Thirty-fifth streets, to the Coast and Hillery Lime and Marble Dust Company, for three years from July 1, at an average annual rental of \$3,000.

Transactions in Stocks for the Week.

Following are the transactions in stocks for the week ending Saturday, June 27, including sales, opening, highest, lowest and closing prices:

Table with columns: Sales, Open, High, Low, Close. Lists various stocks like Adams Express, American Cable, etc.

Build Up Gold Specie.

The proportion of gold to silver would be too small. It would be the duty of the bank to immediately build up its gold specie.

During the panic of 1893 gold poured into this country in such quantities that the payment of a premium ranging from 2 to 5 per cent of the face of the gold would be a simple process.

When the United States Government wishes to secure \$100,000,000 gold it practically issues \$100,000,000 of gold in the form of gold certificates, the cost of securing this gold, which lasts a little over twenty years, is therefore \$120,000,000.

The Government Bank could not only secure the \$100,000,000 gold for a cost of \$120,000,000, but could hold it in accordance with powers which would be a necessary part of the proposed scheme.

The bank's holdings of gold in a comparatively short period could be raised as indicated to over \$400,000,000, or close to the \$800,000,000 specie the bank would be in a position to issue a greater amount of notes than the Bank of France, which has a standing in round figures, about \$730,000,000.

General Francis Manigat, the doughty little warrior, who for eight years was an exile from his native Hayti, landed in New York yesterday morning on the Dutch steamship Prins Willem I., from Port-au-Prince. He is en route for Paris, where he has been appointed minister to represent Hayti. He took rooms at the Hotel Brighton in West Ninth street.

Minister Manigat was graduated at the College of Arts in 1838, taking the degree of bachelor of arts. He was made President of the Chamber of Deputies in Port-au-Prince under Salomon's administration, was afterward special secretary to President Salomon, and then successively held the offices of minister of agriculture, minister of the interior in Salomon's Cabinet.

There was nothing in last week's real estate market to boast of. While the auction sales exceeded in volume and interest those of the Summer weeks preceding, the transactions at private contract fell below.

Most of the private contract lots which the buyers design for immediate improvement. Quite a deal was also accomplished in leasing, especially in the mercantile districts, some renting having been done for uncommonly long terms on new properties, considering that the owners in no wise lack a practical knowledge of the value of interest would immediately send all borrowers to the private bank.

Notwithstanding the advance of the season, the planning of new building goes steadily on, and shows a material advance over the closing of the last summer.

John Walker has sold for improvement the plot, 30x12, with old three-story dwellings, on the south side of Eighteenth street, 100 feet west of First street.

Henry Gottlinger has purchased of the Schock estate, through John Finck, at \$10,500, the four-story brick dwelling, with garden, at 252 West 107th street.

Mr. O'Brien has purchased of the Henry Kittle estate, through John Armstrong, Nos. 125 and 127 West 107th street, a two-story brownstone house, 25x8x102.2 each.

Stephen McCormick has sold for George F. Miller, for about \$42,000, the five-story flat, with store, lot 25x88, on the northeast corner of Madison avenue and One Hundred and Thirtieth street.

Charles A. Schmitz has sold, through Bennett & Co., the five-story double tenement, 25x88x100.11, No. 207 East One Hundred and Second street.

James W. Taylor has purchased of Mrs. Minnie Gillett, the three-story stone front dwelling, with lot, 25x103.11, No. 300 West One Hundred and Third street.

Louis S. Lotch has sold for August Jacob to August Ganszweiler, with store, lot 25x88, No. 1742 and 1743 Second avenue.

William Holborn has purchased of August Jacob, through Louis Lotch, two similar tracts, Nos. 1742 and 1743 Second avenue.

Charles Kermer has purchased of Gustave Kahrs, through Martin Walker, at about \$100,000, a two-story brick dwelling, with a garden, at 252 West 107th street.

Laura and Rogers have leased for Mrs. Hattie H. Rogers her dock property on the Hudson River, between One Hundred and Thirty-fourth and One Hundred and Thirty-fifth streets, to the Coast and Hillery Lime and Marble Dust Company, for three years from July 1, at an average annual rental of \$3,000.

Transactions in Stocks for the Week.

Table with columns: Sales, Open, High, Low, Close. Lists various stocks like Adams Express, American Cable, etc.

Build Up Gold Specie.

The proportion of gold to silver would be too small. It would be the duty of the bank to immediately build up its gold specie.

During the panic of 1893 gold poured into this country in such quantities that the payment of a premium ranging from 2 to 5 per cent of the face of the gold would be a simple process.

When the United States Government wishes to secure \$100,000,000 gold it practically issues \$100,000,000 of gold in the form of gold certificates, the cost of securing this gold, which lasts a little over twenty years, is therefore \$120,000,000.

The Government Bank could not only secure the \$100,000,000 gold for a cost of \$120,000,000, but could hold it in accordance with powers which would be a necessary part of the proposed scheme.

The bank's holdings of gold in a comparatively short period could be raised as indicated to over \$400,000,000, or close to the \$800,000,000 specie the bank would be in a position to issue a greater amount of notes than the Bank of France, which has a standing in round figures, about \$730,000,000.

The retirement of the present outstanding forms of notes would be a simple process. Through their exchange for the notes of the bank, they would be converted into legal tender, and convertible into silver dollars, they would immediately be exchanged for francs, which in turn convertible into silver or gold at the option of the bank.

The great merit of the Government Bank scheme would be the expansion of the note issuing facilities of the bank, by making both silver and gold the basis of its circulation, and giving the bank the option of the holder of the note, the option of redemption in silver and gold.

General Manigat is On His Way to the French Capital.

Minister Manigat was graduated at the College of Arts in 1838, taking the degree of bachelor of arts. He was made President of the Chamber of Deputies in Port-au-Prince under Salomon's administration, was afterward special secretary to President Salomon, and then successively held the offices of minister of agriculture, minister of the interior in Salomon's Cabinet.

There was nothing in last week's real estate market to boast of. While the auction sales exceeded in volume and interest those of the Summer weeks preceding, the transactions at private contract fell below.

Most of the private contract lots which the buyers design for immediate improvement. Quite a deal was also accomplished in leasing, especially in the mercantile districts, some renting having been done for uncommonly long terms on new properties, considering that the owners in no wise lack a practical knowledge of the value of interest would immediately send all borrowers to the private bank.

Notwithstanding the advance of the season, the planning of new building goes steadily on, and shows a material advance over the closing of the last summer.

John Walker has sold for improvement the plot, 30x12, with old three-story dwellings, on the south side of Eighteenth street, 100 feet west of First street.

Henry Gottlinger has purchased of the Schock estate, through John Finck, at \$10,500, the four-story brick dwelling, with garden, at 252 West 107th street.

Mr. O'Brien has purchased of the Henry Kittle estate, through John Armstrong, Nos. 125 and 127 West 107th street, a two-story brownstone house, 25x8x102.2 each.

Stephen McCormick has sold for George F. Miller, for about \$42,000, the five-story flat, with store, lot 25x88, on the northeast corner of Madison avenue and One Hundred and Thirtieth street.

Charles A. Schmitz has sold, through Bennett & Co., the five-story double tenement, 25x88x100.11, No. 207 East One Hundred and Second street.

James W. Taylor has purchased of Mrs. Minnie Gillett, the three-story stone front dwelling, with lot, 25x103.11, No. 300 West One Hundred and Third street.

Louis S. Lotch has sold for August Jacob to August Ganszweiler, with store, lot 25x88, No. 1742 and 1743 Second avenue.

William Holborn has purchased of August Jacob, through Louis Lotch, two similar tracts, Nos. 1742 and 1743 Second avenue.

Charles Kermer has purchased of Gustave Kahrs, through Martin Walker, at about \$100,000, a two-story brick dwelling, with a garden, at 252 West 107th street.

Laura and Rogers have leased for Mrs. Hattie H. Rogers her dock property on the Hudson River, between One Hundred and Thirty-fourth and One Hundred and Thirty-fifth streets, to the Coast and Hillery Lime and Marble Dust Company, for three years from July 1, at an average annual rental of \$3,000.

Transactions in Stocks for the Week.

Table with columns: Sales, Open, High, Low, Close. Lists various stocks like Adams Express, American Cable, etc.

Build Up Gold Specie.

The proportion of gold to silver would be too small. It would be the duty of the bank to immediately build up its gold specie.

During the panic of 1893 gold poured into this country in such quantities that the payment of a premium ranging from 2 to 5 per cent of the face of the gold would be a simple process.

When the United States Government wishes to secure \$100,000,000 gold it practically issues \$100,000,000 of gold in the form of gold certificates, the cost of securing this gold, which lasts a little over twenty years, is therefore \$120,000,000.

The Government Bank could not only secure the \$100,000,000 gold for a cost of \$120,000,000, but could hold it in accordance with powers which would be a necessary part of the proposed scheme.

The bank's holdings of gold in a comparatively short period could be raised as indicated to over \$400,000,000, or close to the \$800,000,000 specie the bank would be in a position to issue a greater amount of notes than the Bank of France, which has a standing in round figures, about \$730,000,000.

The retirement of the present outstanding forms of notes would be a simple process. Through their exchange for the notes of the bank, they would be converted into legal tender, and convertible into silver dollars, they would immediately be exchanged for francs, which in turn convertible into silver or gold at the option of the bank.

The great merit of the Government Bank scheme would be the expansion of the note issuing facilities of the bank, by making both silver and gold the basis of its circulation, and giving the bank the option of the holder of the note, the option of redemption in silver and gold.

considered a long step toward recovery from the depression to which the mineral industry like all others has been subjected. It took nearly a year to get the production of gold to the level of 1895, the greatest recorded, which was over \$948,000,000 in 1895. In terms of quantities produced, instead of value received, 1895 is greatest, unless being better.

TO THE HOLDERS OF General First Mortgage & Land Grant Bonds OF THE Northern Pacific Railroad Company.

Holder of over a majority in amount of the above described bonds having deposited same for conversion, on the basis set forth on page 2 of the plan of reorganization dated March 10, 1896, all other holders of such bonds who desire to avail of the privilege of conversion on the above basis are hereby notified to deposit their bonds at either of our offices on or before June 30th, 1896.

Reorganization certificates will be issued for bonds so deposited.

The basis of conversion is 135 per cent, in the new 4 per cent Prior Lien bonds of the reorganized Northern Pacific Railroad Company, as set forth on July 1st, 1896, shall be adjusted quarterly in cash, with 3 per cent in cash payable now on the old bonds for the interest due July 1st, 1896.

J. P. MORGAN & CO., 23 Wall Street, New York.

DREXEL & CO., DEUTSCHE BANK, 15th and Chestnut Streets, Philadelphia.

DRY DOCK SAVINGS INSTITUTION, 841 and 843 BOWERY, N. Y.

THE TRUSTEES HAVE ORDERED THAT INTEREST ON DEPOSITS BE PAID AT THE RATE OF 4 PER CENT PER ANNUM ON ALL DEPOSITS ON OR AFTER JULY 10, 1896.

LEGAL NOTICES.

SUPREME COURT of the State of New York.

IN PUBLICATION of an order of the Hon. Charles H. Shaw, Judge of the Supreme Court of the State of New York, dated the 27th day of May, 1896, and filed with the Clerk of the City and County of New York, at the City of New York, on the 27th day of May, 1896.

CITY COURT OF THE CITY OF NEW YORK.

IN PUBLICATION of an order of the Hon. Charles H. Shaw, Judge of the Supreme Court of the State of New York, dated the 27th day of May, 1896, and filed with the Clerk of the City and County of New York, at the City of New York, on the 27th day of May, 1896.

LEGAL NOTICES.

SUPREME COURT of the State of New York.

IN PUBLICATION of an order of the Hon. Charles H. Shaw, Judge of the Supreme Court of the State of New York, dated the 27th day of May, 1896, and filed with the Clerk of the City and County of New York, at the City of New York, on the 27th day of May, 1896.

CITY COURT OF THE CITY OF NEW YORK.

IN PUBLICATION of an order of the Hon. Charles H. Shaw, Judge of the Supreme Court of the State of New York, dated the 27th day of May, 1896, and filed with the Clerk of the City and County of New York, at the City of New York, on the 27th day of May, 1896.

LEGAL NOTICES.

SUPREME COURT of the State of New York.

IN PUBLICATION of an order of the Hon. Charles H. Shaw, Judge of the Supreme Court of the State of New York, dated the 27th day of May, 1896, and filed with the Clerk of the City and County of New York, at the City of New York, on the 27th day of May, 1896.

CITY COURT OF THE CITY OF NEW YORK.

IN PUBLICATION of an order of the Hon. Charles H. Shaw, Judge of the Supreme Court of the State of New York, dated the 27th day of May, 1896, and filed with the Clerk of the City and County of New York, at the City of New York, on the 27th day of May, 1896.

LEGAL NOTICES.

SUPREME COURT of the State of New York.

IN PUBLICATION of an order of the Hon. Charles H. Shaw, Judge of the Supreme Court of the State of New York, dated the 27th day of May, 1896, and filed with the Clerk of the City and County of New York, at the City of New York, on the 27th day of May, 1896.

HARTFORD LINE RAILROAD. The New Twin Steam Steel Steamer. Will Leave Pier 24, East River, New York, FRIDAY, JULY 5, AT 5 P. M.

FALL RIVER LINE. For BOSTON, NEWPORT, FALL RIVER, MARtha's Vineyard, Nantucket, etc.

BOSTON AND NEW ENGLAND PORTS. FALL RIVER LINE - Steamers Priscilla and Puritan in commission.

Hudson River by Daylight. DAY LINE STEAMERS "NEW YORK" and "ALBANY."

PROVIDENCE LINE. For BOSTON, WORCESTER, THE NORTH AND WEST, etc.

MAINE STEAMSHIP LINE. Direct to Cottage City, Mass., and Portland, Me.

ALBANY EVENING LINE. Steamers ALBANY (new) and DEAN GEORGE.

TROY BOATS. SARATOGA EXCURSION, \$4.50. LAKE GEORGE EXCURSION, \$7.00.

ASSIGNMENTS. IN PURSUANCE of an order of Hon. George P. H. H. Shaw, Judge of the Supreme Court, dated the 27th day of May, 1896.

OFFICE OF LIGHTHOUSE ENGINEER. State of New York, June 24, 1896.

WEST SHORE R.R. Trains leave Grand Central Station, 40th St., at 7:30 a. m., 12:30 p. m., 7:30 p. m.

ANCHOR LINE. GLASGOW VIA LONDON. From Pier 14, N. Y. Port of West Side at 10:00 a. m.

JAPAN AND CHINA. Empress of China, July 13, Sept. 14, Dec. 1. Empress of India, Aug. 2, Oct. 2, Dec. 2.