

John A. Grier,
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1436 Meadnock Building,
Telephone Harrison 576.

Chicago, March 1, 1897

Hon. Allison M. Tongue;

Dear Sir:—

Enclosed is a friendly
approval & also a criticism of your communication
to the Inter-Ocean. You gave me such a nice
chance to criticize you 20% — when it should
have been 95½%. However, in this estimate — I
am satisfied — rather I know that you are
teaching an enormous error. I am pretty well
fixed in the steel & iron industry.

As your arithmetic is wrong — ^{I am sure} you will not
dispute — so I am just as dead certain that
when you ignore the effect of the destruction of
the absolute full legal tender power of our
standard silver dollar — (on the passage of the
Reserve Statute — Dec 31 '86 — Aug 22, 1874) you
neglect an all powerful element in the stability
of gold as a purchasing agent. I have great
admiration for your mental ability — yet
you slip here just as certainly as you did in
(supposed) the admitted error in percentage. This is the first on
which the entire silver question hinges. The disuse of
silver as a legal debt power —
not on its denial of free
coinage at our expense.
This last is the same course.

Yours sincerely,
John A. Grier,

The Inter Ocean

CHICAGO, MONDAY, MARCH 1, 1897.

A Comment on Judge Tourgee.

Chicago, Ill., Feb. 27.—To the Editor.—Although widely differing with Judge Tourgee in his strict adherence to the gold standard, I have read with special interest and pleasure his weekly communication to The Inter Ocean on financial subjects. I like to see a square, manly contest, and he is not afraid to express his opinion plainly, which often fully accords with my own.

The communication of today showed that the world has grown since 1873-74 in the knowledge and application of scientific and mechanical appliances used in production and transportation and has thus diminished the cost and hence the prices of commodities. As an engineer I am in full touch with the mechanical advances of the age and accept his position. However, as an object lesson showing that a vigorous thinker like Judge Tourgee can, at times, slip a cog in his mental machinery I make the following quotation:

"But some friend may say, 'What of iron and steel? Why have they depreciated?'"

"The same conditions are even more emphatically true of these products. It is estimated that if we take the whole production of steel, from the lifting of the ore to the delivery of the finished product at the point of use, it would have required the labor of 200 men to produce the same amount of steel even forty years ago as one man's labor now suffices to provide. In other words, the ingredient of labor in steel production has been reduced 200 per cent in forty years, not so much by inventions made in that time as by improved methods and increased extent and efficiency of application of existing methods."

When he says labor has been reduced 200 per cent in the production of steel in forty years we refer his arithmetic to the young school boy, who will raise his eyes with astonishment and might ask the learned Judge if he could not throw in a chromo, in addition to this reduction of 200 per cent! I was taught more than fifty years ago that when a reduction of 100 per cent was reached by any process the remainder would be expressed by zero!

As this is evidently a mental slip, perhaps he may admit that it is barely possible that it is not the only one in his brief communication. Let us grant that there has been a decided fall in the prices of many commodities, which has worked to the decided advantage of the human race at large. However, it is not possible that the world-wide discarding of silver by the leading nations of the world, as an agent of valuation, about 1873-74, has not also been a potent force in increasing the

demand, and hence the price, of gold as a commodity? If gold has been increased in price as a commodity perhaps it may be seen, as we bimetallicists contend, that gold has increased in purchasing power as money, and if gold is the sole "agent of valuation," why should not prices decline from this cause? If this is the case, then "currency conditions" do play a very important part in this appalling, world-wide depression of prices. He ignores this influence. Can he or any gold monometallist successfully contend that if silver had not been discarded, as it was in 1873-74, the general prices of commodities throughout the world would not now be greater?

Under present conditions I would be content if the people of the United States would try the grand experiment of simply restoring the full legal tender functions to the silver dollar, just as it was maintained uninterruptedly on an equality with gold in the United States from 1792 to 1873. Make it legally "as good as gold" as a debt payer for all coin contracts under our flag, and many of us who voted for Mr. Bryan would patiently wait and expect such beneficial results to the American people and to the world as, in my opinion, would be astounding.

JOHN A. GRIER.

I hear that Judge Tourgee is likely to be postmaster of Mayville. He has ability to fill a much higher office but his health is infirm and as his home is at Mayville, he could attend to the duties of postmaster, pursue his literary labors and be with his family. The judge performed stalwart service for the Republican cause during the late campaign and ought to have about anything in the gift of the party which he may desire.