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It is simply a sop thrown out to catch the southern advocate of State Banks of issue. There will be more or less of an inflation if the scheme is put through, and this would satisfy the would-be financiers for the time, but the situation would not be otherwise altered. We would still have to pay foreign banks 250 millions in gold per annum, and as only about 36 millions per year come out of our mines, we should either have to borrow gold to pay the interest, which is certain to lead to general repudiation and general ruin, or to sell them

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our agricultural products as an off-
set to ^{the} interest due. But at what
price? Certainly not above the inter-
national level - not above the Egypt-
ian three-cent-per-day-labor price
of four products. Because, if we
held them at a higher price the
bankers would buy in Egypt and
other countries, and insist upon the
payment of the interest in gold. In
either event ruin would follow.
Politicians seem to forget that this
country, on account of its tremen-
dous area, and the loss of the
virgin soils so to speak, must
ever remain poor excellence an

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agricultural country and when
they have so legislated as to destroy
the profits of agriculture, they need
not express surprise at the uni-
versal cry of distress

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the duty of endorsing every note issued by said banks. At the same time the country is to remain on a gold basis, and in the end, every dollar of this additional 500 millions will have to be redeemed in the yellow metal, thereby still leaving in the hands of the bankers, the power not only to deplete the Treasury as heretofore, but to demand and force the increase of the gold reserve to any amount they wish.

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This bill is not what the South wants
— bankers borrowing money from
the government — from the people
at $\frac{1}{2}$ to 1%, and loaning it to
them at 8% to 12% — The possible
increase — 500 millions — will, I fear,
never materialize unless the
business of the country is such
as to justify it, and of this, who
but the bankers are to be the
judges ~~of it~~? My understand-
ing of the scheme is that the gov-
ernment delegates to the bankers
the exclusive control of the currency,
with the power to tax the country
for their use, and delegates to itself