

EDITORIAL

## THE CURRENCY BILL.

By DANIEL DE LEON

**T**HE Administration Currency bill, now before Congress, is no ordinary affair. It is a historic document; it is a document that marks an epoch; it is a torch by which to read the momentous events now taking, or about to take place.

Structurally, the bill places the Government in the banking business. It is to obtain absolute control of the bank-note issues.

As to its immediate object, the purpose of the bill is to create a body with power to issue money “according as exigencies may demand.” This is called “elasticity.” Money becoming “tight,” the Federal Reserve Banks shall print enough money to “ease the stringency”; the stringency being eased, the Reserve Banks are empowered to withdraw the extra issue.

But will the stringency be eased?

That’s the rub, and brings us to the consideration of the reasons that have driven the Government—for, driven it is—to scheme the scheme.

Before his inauguration, Woodrow Wilson announced that the first man to start the panic machine “will hang as high as Haman.” The Wilson threat made the “machinists” cautious. The methods they resorted to in the making of the 1907 panic, and which Senator La Follette so brilliantly exposed in his speech at the first session of the Sixtieth Congress, are not now resorted to. They were too obvious. Another method has been put into operation. It is the “silent panic.” That panic is now on. The Buddha of Capital is drawing in its breath, the circulating medium. That is being done unostentatiously, invisibly,—yet effectively, and what is more, in ways and manners that leave the should-be-Hamans looking as innocent as unborn babes, as abused as martyrs. The Administration realizes that it is being out-

flanked. All precautions against assault that could be taken from the places of vantage occupied by the Administration through its control of the Bureau of Corporations and of Commerce have been taken. From the quarters that panics usually started none could now be started without danger. But there remained another quarter—the quarter of High Finance. The Federal Reserve Banks scheme is a breastwork against attack from that quarter. As fast as the Buddha of Capital draws in its breath—draws in the money—the Administration is to let out breath—print money. Here the question, put before, rises—will the stringency be eased?

It is a contest between High Finance, or Feudalized Capital, and Bourgeois Government.

Which can hold out longer?

Can the Administration hold out without tumbling heels-over-head into Greenbackism, and fiat Money?

Whichever wins out, a crash is in the cards—and the Federal Reserve Banks bill is the signal—and the Socialist or Labor forces are too disorganized to master the situation.

Transcribed and edited by Robert Bills for the official website of the Socialist Labor Party of America.  
Uploaded August 2015

[slpns@slp.org](mailto:slpns@slp.org)