FREE COINAGE OF SILVER AS RELATED TO THE MONEY POWER.

"Equal Rights to All and Special Privileges to None."
Motto People's Party.

SPEECH

OF

HON. JAMES H. KYLE,

OF SOUTH DAKOTA,

IN THE

SENATE OF THE UNITED STATES,

MONDAY, OCTOBER 2, 1893.

WASHINGTON.
1893.

SPEECH

OF

HON. JAMES H. KYLE.

The Senate having under consideration the bill (H. R. 1) to repeal a part of an act, approved July 14, 1890, entitled "An act directing the purchase of silver bullion and the issue of Treasury notes thereon, and for other purposes"—

Mr. KYLE said:

Mr. PRESIDENT: We are urged by the chairman of the Finance Committee to a speedy vote upon an important national question. He himself considers it the most important question that has occupied the attention of the Senate. The Senators favoring bimetallism entirely agree with him upon this proposition. In my judgment it is not only important, but the welfare and condition of 65,000,000 of people depend upon its proper solution. For thirty years the American people have been suffering the hardships of a bad financial policy, the crowning blunder of which was the demonetization of the people's money in 1873.

The avowed and constant purpose of the money power since that time has been to stamp out silver entirely and place our country entirely upon a gold basis. It is safe to say that more than 75 per cent of the people are in favor of the free and unlimited coinage of silver and opposed to the destruction of the remnant of our silver coinage. They are flooding Senators with letters and petitions, in their humble way imploring them to stand firmly in defense of silver. They appeal to the men whom their votes elected and whom they recognize as their representatives.

We are called in special session at this time for serious business, and not for hop, skip, and jump legislation, even though such a programme may have been mapped out by the Eastern financiers and urged on by the subsidized press of the country. Serious deliberation should be the watchword of the hour, as the people have a right to demand that this question shall be thoroughly debated. It may be true with this as it has been true with other important questions in the past, that debate may be the means of showing the fallacy of positions assumed and of changing votes. There is room for honest difference of opinion. We must meet face to face in this discussion with the entire absence of criminations and recriminations, and according to one another absolute honesty of conviction and purpose. I here take occasion to say that the advocates for repeal, through their press, gain nothing in the eyes of the people by referring to silver advocates as "obstructionists," "cranks," and "lunatics."

These men are honest and earnest in their convictions, and feel deeply the injustice of the proposition to strike silver from the list of our money metals. Few can be found to father the demonetization act of 1873, or who do not condemn as vicious the silver-purchase act of 1890. Is it any wonder, Mr. President, that the plain people become weary with the action of Congress? Bad legislation is none the less injurious in its effects because done through carelessness, or agreed to on the ground of expediency; and to-day the intelligent conservative yeomanry of our country do not expect us to repeal or enact laws at random without having discovered the cause and remedy for the present financial depression.

SHERMAN LAW NOT RESPONSIBLE FOR THE PRESENT DEPRESSION.

As a member of this law-making body, Mr. President, I have carefully studied the Sherman purchase law, and canvassed its effects in connection with the present, or late financial panic. And my honest conviction is that the law has no more to do with the financial crisis than the moons of Jupiter, except as it may exist in the imagination of frightened tradesmen. The cause of a panic is one thing, Mr. President, and the occasion of it is another. Heartless financiers have used the Sherman law as the bugaboo to frighten the people, while they tightened the purse strings and swelled their ill-gotten gains.

In the first place, the leaders of monometallism are not agreed as to the effect of this law upon the present panic. Certainly upon this floor we have had many radically different diagnoses presented. The Senator from Ohio [Mr. SHERMAN] in his speech of August 30 last, uses these words:

An erroneous idea, therefore, has been carried in the public mind that this small measure has produced results with which it has no connection. But nevertheless the situation is upon us, and we have got to deal with the situation and not with the measure.

I was very much interested with the observation made yesterday afternoon by the Senator from Colorado [Mr. TELLER] upon one branch of this question. Although I am not able to agree with him in many things, I am glad to agree with him upon something.

I here give the loss in the bullion purchased under the act of 1890 at 74¼ cents an ounce, which I am told is its value to-day. The loss is $22,345,356. It must be remembered also that we have issued on the 150,000,000 ounces of silver that were bought under that law Treasury notes to the amount of the cost of that bullion, which pay no interest and which have been used as current money by the people of our country. Suppose this provision had not been made in 1890; suppose we had been compelled to face the storms that followed in 1890, the failures of banks, of the Barings, and all other causes without any increasing currency in the markets of our country; suppose the Sherman law had been stricken from the files in 1890 or rejected, who can tell what would have been the consequences in this country of the great depressing effects I have already mentioned?

Sir, "give the devil his due." The law of 1890 may have many faults, but I stand by it yet, and I will defend it, not as a permanent public policy, not as a measure that I take any pride in, because I yielded to the necessity of granting relief; but I do say that the beneficial effects that flowed from the passage of that law were infinitely greater even in the percentage of money than the loss we have suffered in the fall in the price of silver. Without it, in 1891 and 1892 we would have met difficulties that would have staggered us much more than the passing breeze of the hour—a storm for a month, or even for a year, growing out of causes entirely different, I think, with due deference to the President, from the causes he has named.

How, pray, can we be asked to vote for the repeal of a law which has proved beneficial in two different panics?

Other panics, Mr. President, have occurred at intervals when no Sherman law was in existence. There was a panic under bimetallism in 1857. A panic under monometallism in 1874. A panic under the Bland act in 1883. So that it is an open question as to whether all our burdens will have flown with the disappearance of this measure.

The press was diligent in circulating the opinions of financiers that the Sherman law was the cause of the outflow of gold, but gold began to leave us in large quantities before the operation of the Sherman law, and its continuance was due entirely to other causes. If gold went under the Sherman law, the Sherman law has caused its return. The present panic can be accounted for on other grounds. During the past four or five years some important changes have been going on amongst the nations of the world.

The great disaster in the Argentine Republic was followed by the failure of the Baring Brothers, the great banking house of London. Austria, Hungary, and Roumania have been collecting a reserve and getting to a gold basis. Australia has been rent by financial failures within a year. These remarkable proceedings can not but have produced a stringency in the money markets of the world, upon which we are in a large measure dependent. Large banking houses lost heavily in foreign investments, and money was withheld from the United States. Gold was scarce, yet Austria and her neighbors must have it. It went from us at a premium. This disturbed condition throughout the world is the result of an exaggerated condition of business. Our castles of credit have been built with lavish expenditure on all continents. Inflation bore its legitimate fruit in disaster the moment a circumstance occurred to disturb the public confidence.

But beyond this still, Europe ceased to buy our products. While our imports have continued from month to month about the same as in 1892, our exports for the first seven months of 1893 were less than for the first seven months in 1892 by $82,462,939. All these balances had to be settled with gold. It was a matter of course, and bimetallists predicted that with the revival of fall trade the gold would again return. Forty million dollars, I believe, returned during the month of August.

But the real cause of the panic, Mr. President, is deeper and well concealed. The prairie hen makes no greater flutter and cackle to conceal her young than do these leaders of "high finance" to turn the honest but easily duped people from their nests of iniquity. To the financier who lives by clipping coupons, the "dear dollar" is a god worthy of worship. His conscience, if he has one, easily approves the step necessary to swell his fortunes. The prime cause of the universal depression, which is not confined to the United States, is the appreciation of the gold dollar and the consequent depreciation of all commodities as measured by it. Depression has not suddenly appeared like an apparation. Agriculture has felt her clammy hand for a score of years. The present hue and cry is raised because, forsooth, the capitalist has been touched. When a bankers' panic occurs we hear from it, Mr. President, through the "howl of calamity," and speedy legislation follows.

But the occasion of the present crisis is the result, I think, of a conspiracy among the money lenders of the East. They have deliberately planned to force Congress to grant additional privileges heretofore denied. I recognize this to be a serious charge, and yet I think it is borne out by the facts. It is a well-known fact that the money power is able to produce almost any financial depression they may wish.

The past thirty years have witnessed a most phenomenal centralization of wealth in New York and New England. Of this I shall speak more in detail further on. Through class legislation monoplies have been produced, by which there has been a steady contribution from the pockets of the poor to the coffers of the rich.

The "rich man" of ante bellum days is now the millionaire, and the millionaire is now the multi-millionaire. Banking, railroad, manufacturing, and kindred enterprises to-day rule cities, control elections, and dictate to Presidents. A dozen men in New York and Boston can blockade commerce and produce stagnation in every State. They hold in their hands the destiny of private fortunes. Prosperity waits upon their smiles, and desolation follows their withering frown. Again, Mr. President, they have the organization necessary to accomplish their ends. It is related of Jay Gould that when asked his politics he replied: "In Republican districts I am a Republican, in Democratic districts I am a Democrat, in doubtful districts I am doubtful, but I am for the Erie Railroad all the time." Large moneyed enterprises often destroy one another through the law of competition, but they never forget their allegiance to a common parent—the money power.

This national organization has its branches in every State and Territory. Whether they have written constitutions, and by-laws, and annual conventions or not, they all stand together when their interests are threatened by national or State legislation. A week's notice only is necessary to assemble a legislative committee in Washington from all parts of the Union.

Again, the money power moreover have the disposition to resort to such measures. We can only, Mr. President, judge the present or future of this organization by its past history. One can not read the records of Congress from 1830 to 1840 without discovering that even at that early day they were almost powerful enough to control the Government. During the late civil war they dictated the terms on which legal-tender currency should be issued. They forced the passage of the national-bank act. After the war was over, they forced the retirement of legal-tenders and the funding of the debt by bonds. And though bribery may not be a matter of record as during the time of President Jackson's Administration, yet during recent years, when matters touching the money power have been before Congress, we have been almost, if not altogether, restrained from enacting the will of the people.

During the last session of Congress they made the demand for a new issue of bonds and the repeal of the Sherman law. Predictions of dire disaster and national peril were made by them as the result of nonaction by Congress. From published interviews, we are led to believe that they did attempt to create a stringency in the money market and in the National Treasury whereby Congress would be forced to accede to their wishes.

I quote first from the Philadelphia Press an item which has been referred to by other Senators, and which, like those that follow, will bear repeating:

> The New York banks for several days have been endeavoring to bring a home influence on United States Senators to induce them to vote for the repeal of the July silver law.
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> To this end correspondents of the New York banks in the West and South have been told that they need not expect to get money from New York until the purchasing clause was repealed, and the Southern and Western bankers have been strongly urged to write to their Senators and to insist that they work and vote for immediate repeal. This movement has given rise to the recent feeling in New York that the silver majority in the Senate could be

overcome, as the influence of the banks of the metropolis, when concentrated on any object, is regarded as invincible. There is a feeling that the strain is not as great as it was, and improvement is hoped for. Some anxiety exists as to the action of savings-bank depositors when the thirty and sixty day limit expires next month. The requirements of money for the crops will also be a potent factor, but no one is disposed to contemplate future conditions, especially if they are likely to be unpleasant.

This from the New York Sun of April 29 last:

Let us point to another fact, and we are done. Never before have the large banking institutions of Chicago and the West ordered their gold in such large quantities direct from Europe, and in this fact is found one reason why our bankers are puzzled over the anomaly that although all these millions are coming to the country, they experience little or no relief therefrom. The other reason, gentlemen, is, in order to force the repeal of the Sherman act and to quickly establish your power over the plain people of this land, you first sent out of the country one hundred and ten millions of the people's currency in order to assist the Rothschilds to demonetize silver in Austria and elsewhere, and then let it remain there, to teach the West and South an "object lesson," as the President called it, until you found it was necessary to recall it in order to save your own house from destruction. Now, you have not only taught the West and the South an object lesson, but yourselves one as well, and you can be sure of it.

I quote next from the Springfield (Mo.) Democrat, edited by a worthy banker:

A COWARDLY COURSE.

In their desperate determination to secure the demonetization of silver the leaders of the gold-standard movement, by their own endeavors and through their allies, inaugurated a campaign of intimidation several months ago. The great banking and financial concerns of New York, with a business directory of the United States at their command, flooded the country with elaborately prepared circulars setting forth the disaster in store for the people unless the Sherman act was unconditionally repealed, and breathing love, sympathy, and interest for the agricultural and laboring classes in whom these Wall street philanthropists have at all times manifested such marked solicitude. The territory in which Springfield is embraced was evidently assigned to Henry Clews and the Fisks, and no business firm, however remote, failed to receive one of these imploring circulars in which all argument was summed in the request that the recipient appeal to Senators COCKRELL and VEST and to Representative HEARD in behalf of the plan of campaign marked out by Wall street.

Ninety-nine per cent of these missives were consigned to the wastebasket, and that plan of reaching and influencing Congress through the business interests having failed in this section, at least, another method of applying the screws has been adopted. Wholesale houses in St. Louis which have an extended trade in this portion of the State have been brought into action, and, through their traveling salesmen, are endeavoring to accomplish that in which the Wall street circulars failed. These houses have sorely pressed creditors throughout the Southwest, and instructions to their salesmen are that these retail dealers must be impressed with the necessity of calling upon Missouri Senators and Representatives for the unconditional repeal of the Sherman act—this being done in connection with suggestions of the necessity of close collections and a curtailment of credit.

It is a deliberate and cowardly attempt to intimidate the business men of the Southwest into expressions foreign to their convictions, and will, of course, in some quarters, have its weight. The Democrat's advice to its readers thus approached is that they request these emissaries to attend strictly to their business, which is that of selling goods; and an alleged sentiment that is the outcome of such a Draconian method of proselyting will cut a sorry figure as a lever of influence when our representatives in Congress are apprised of the nature of its origin.

The following is a circular sent out by the Chamber of Commerce, New York, and shows their efforts to intimidate members of Congress.

CHAMBER OF COMMERCE OF THE STATE OF NEW YORK,
New York, August 18, 1893.

To the Members of the Chamber of Commerce:

The special committee of the chamber earnestly request you to write once more and immediately to your correspondents, south and west of New York State, urging them to do their utmost, by letter, by telegram, and by personal effort, to induce their Senators and Representatives to act speedily in favor of the repeal of the silver-purchasing clause of the Sherman act. It is of the utmost importance that a large majority for repeal should be had in the House of Representatives when a vote is taken on August 28. A large majority in the House would do much toward insuring prompt action by the Senate.

JOHN CLAFLIN, *Chairman.*

In the New York World editorial of September 26 I notice the reason why the Democratic party have united as harmoniously as they have in accomplishing the wish of the money power, viz, the declaration of the Democratic platform. It is my opinion that more than three-fourths of the convention gathered at Chicago understood that the repeal of the Sherman law was to be coupled with the enactment of another law carrying out the declaration for bimetallism.

The World says:

These are words of sober truth. Power has been given to the Democratic party in order that it may accomplish a needed and promised work. The most pressing part of that work is the repeal of the silver-purchasing act. Circumstances have made this the first duty. There must be no failure at the beginning of the redemption of pledges.

The money power were "promised" and "pledged" that the law so obnoxious to them should be repealed. But they were willing to assist the party in power to the full extent of their ability by creating a public sentiment in favor of their scheme. Money was removed from circulation. The maufacturer, the jobbing merchant, the retail dealer, and the farmer in the smallest hamlet were made to feel the depression and given to understand that Congress was alone to blame in the failure to repeal the nefarious Sherman law.

But the following from the New York Sun of April 27—before the panic began—more clearly shows the disposition of the money kings in the exercise of their tyrannical power:

NEW YORK, *April 27*

Secretary Carlisle this evening met a number of bankers at the residence of George L. Williams, president of the Chemical Bank. The following gentlemen were there to greet the Secretary. Mr. Jordau, Mr. Canda, President Perkins of the Importers and Traders, President Sherman of the Bank of Commerce, President Cannon of the Chase, President Ives of the Western, President Tappen of the Gallatin, President Coe of the American Exchange, and President Wood of the Hanover.

The conference lasted somewhat over an hour. There was the utmost good feeling displayed, and the Secretary said he was there to make a frank and open statement of what he believed to be the financial policy of the Government. In the first place, the Secretary said that an issue of bonds just at this time might be an effective remedy, but that it would be only temporary and that it would be followed by disturbances in the money market and would in the end retard the determination of the Administration to repeal the Sherman silver law. The Secretary positively thought there would be no bond issue except as a last resort.

As Carlisle outlined the policy of the Government, it was shown that nothing would be done that would in anyway retard or check the determination of Cleveland's Administration concerning the repeal of the Sherman law. The Secretary went over the currency laws of the country and said they were in bad shape and needed revision. He said the revision should start with the Sherman law.

There is a determination also to show the miners of silver the evils of the Sherman law on their fortunes. President Cleveland's advisers have told him that the only way to induce the Western and Southwestern Congressmen and Senators to consent to a repeal of the Sherman law is to demonstrate to their constituents that they are losing every day this law remains in effect.

This work in that direction has been started by a number of the bankers in the solid communities of the East. They are daily refusing credits to the South, Southwest, and West, fearing the effects of the Sherman law. The Chicago banks, it was said, are carrying out the same line of policy.

Secretary Carlisle, in his talk with the bankers, made his stand very clear. It is to be heroic treatment all the way through of the Sherman law, and possibly by the next session of Congress the silver-mine owners and adherents of silver in the Senate and House will be ready to consent to a repeal of the law. The bank presidents, replying to Secretary Carlisle, cordially informed him that they would be ready at all times to coöperate with him. Everybody shook hands, and there was harmony all round. In the meantime the Secretary continues to receive offers of gold from unexpected sources.

As a result, Mr. President, all banks outside the money centers were placed in straitened circumstances; furnace fires were banked, jobbers suspended business because credit was refused, and retail dealers were forced to refuse accommodations to their customers. In the meantime the money centers were busy by private circular and through the press in trying to convince the people that the Sherman law lay at the bottom of their grievance. They have, Mr. President, not only produced the depression, but they seem determined not to permit a complete return to prosperity until the repeal is secured. I hold in my hand an editorial of the New York World for September 23:

The deadlock seems to be absolute. Will it require another and a more disastrous panic to break it? Is the Senate really proof against public opinion? Is it willing to admit its impotency? Has the majority no more resources, no greater courage?

If so, Republican government, so far as Congress is concerned, is for the time a failure.

The inference would seem to be that another panic awaits us if we do not accede to their demands.

The time was when such argument would have prevailed with all classes. As it is, the intelligence of the American people has been turned to the dangerous policy of allowing private corporations to control the circulating medium. It has been admitted by Senators upon this floor that banking corporations have been and now are conducting their business in violation of law. They are allowed to ride roughshod over the people and Congress in their nefarious work. A million laborers, honest and willing to work are out of employment. They tramp from city to city, and if found without money are arrested for vagrancy. But the money power escapes because of their influence and their power in Congress.

There is, Mr. President, one question before the people to-day and that is finance. Show me the financial laws of a nation and I will read you the condition of her people. In free America we have been proud to say that all men are equal, and that there was one spot on earth where money does not rule and where caste is not known. Our laws are supposed to be humane and righteous. Political parties have contended for the preservation of these institutions, but in doing so no issue has been greater or more important than finance. The first battles royal of Congress were fought on this question.

RECORD OF THE DEMOCRATIC PARTY.

Just here, Mr. President, I wish to say that I have always read with pride the record of the Democratic party in this contest. But in view of the platforms now adopted and the expressions now heard from some of her exponents in Congress I am constrained to ask "What is Democracy?" It is a grand word both in etymology and in its first political application. It is the spirit of Cromwell born in American hearts. A Government wherein the people rule and every citizen a sovereign, sharing alike in the protection and privileges of a great Government.

The first great political contest upon American soil occurred in 1791 in the halls of the American Congress. The people were divided into two parties called the Federalists and anti-Federalists. The former were mustered under the leadership of Alexander Hamilton, the first Secretary of the Treasury, and the latter under the leadership of the great and patriotic Thomas Jefferson. New England had already begun to realize her financial strength. Boston and New York were cities of no mean influence. Her financiers were alive to the possibilities of gain through the establishment of favorable banking laws. The contest was led by Hamilton in behalf of the classes, and by Jefferson on behalf of the masses. Little did the people dream while returning to their homes after the bloody scenes of the Revolution that their liberties were to be stolen from them by their fellow-countrymen. The money power was already alert, and in 1791 secured the passage of the law chartering the United States Bank with a charter covering twenty years. It expired in 1811.

In 1816 the bankers appeared upon the scene, and a bill granting an extension for twenty years more passed both Houses and was signed by the President. In 1831 the usual journey was made to Washington, a bill for another extension for twenty years was introduced and passed both Houses of Congress, but was vetoed by Andrew Jackson. During all these decades the people did not submit silently to these inroads upon their rights. Some of the warmest contests the country has known were fought under the leadership of Jefferson and Jackson. But now the money power had met their equal. During the eight years of Jackson's administration they were held in abeyance by the iron will of their master. By the return of the Whig party to power in 1840 and the election of Mr. Harrison, victory for the bankers was supposed to be a foregone conclusion. But the President died within one month of inauguration, and when the new banking bill which had passed both Houses of Congress was presented to President Tyler it met with his firm veto. Thus the money power was checked in their selfish course from 1832 to 1863, when the Government was in the throes of the civil war.

For more than half a century the anti-Federalists and Democrats were known as the valiant defenders of the people's rights. There were many questions of minor consideration embodied in their platforms, but the great contest was the preservation of the rights of the people embodied in wholesome financial laws. In 1840 the Democratic party assembled in convention at Baltimore, Md., and, amongst other resolutions, passed the following:

Resolved, That Congress has no power to charter the United States Bank; that we believe such an institution one of total hostility to the best interests of the country, dangerous to the republican institutions of our country and the liberties of the people, and calculated to place the business of the country within the concentrated money power and above the laws and will of the people.

Again:

That the separation of the moneys of the Government from banking institutions is indispensable for the safety of the funds of the Government and rights of the people.

These same principles were reëmbodied in resolutions 6 and 8 of the Democratic platform adopted at Baltimore, Md., in May, 1844. The Democratic platform of 1848 embodied the eighth resolution of the preceding convention, and goes on further to state, in section 14:

Resolved, That we are decidedly opposed to taking from the President the qualified veto power, by which he is enabled, under restrictions and responsibilities amply sufficient to guard the public interests, to suspend the passage of a bill whose merits can not secure the approval of two-thirds of the Senate and House of Representatives until the judgment of the people can be obtained thereon, and which has saved the people from the tyrannical domination of the Bank of the United States, and from a corrupting system of general internal improvements.

Section 19 of the same platform is as follows:

Resolved, That in view of the recent developments of this grand political truth of the sovereignity of the people and their capacity for self-government, which is prostrating thrones and erecting republics on the ruins of despotism in the Old World, we feel that a high and sacred duty has devolved with increased responsibilty on the Democratic party of this country, as the party of the people, to sustain and advance among us constitutional liberty, equality, and fraternity, by continuing to resist all monopolies and excessive legislation for the benefit of the few at the expense of the many, and by vigilant and constant adherence to these principles and compromises of the Constitution, which are broad and strong enough to impress and up hold the Union as it was, the Union as it is, and the Union as it shall be, in the full expansion of the energies and capacity of this great and progressive people.

In the platform adopted at Baltimore June, 1852, the ninth and tenth resolutions are as follows:

Resolved, That Congress has no power to charter a national bank; that we believe such an institution one of total hostility to the best interest of the country, dangerous to our republican institutions and the liberties of the people, and calculated to place the business of the country within the control of the concentrated money power, and against both the law and the will of the people; and that the results of Democratic legislation in this and all other financial measures upon which issues have been made between the two political parties of the country have demonstrated to candid and practical men of all parties their soundness, safety, and utility in all business pursuits.

Resolved, That the separation of the moneys of the Government from banking institutions is indispensable for the safety of the funds of the Government and the rights of the people.

These same resolutions were adopted as resolutions 7 and 8 of the national platform promulgated at Cincinnati in the convention of 1856. The first resolution of the Democratie platform adopted at Baltimore June, 1860, begins with this sentiment:

Resolved, That we, the Democracy of the Union, in convention assembled, hereby declare our affirmance of the resolutions adopted and declared as the platform and principles by the Democratic convention at Cincinnati in the year 1856, believing that Democratic principles are unchangeable in their nature when applied to the same subject-matters.

These principles, Mr. President, were embodied in platforms at a time when platforms meant something.

In the heat of conflict these sentiments were born from the convictions of men. It was the day when the Democratic party, in the zenith of its power and glory, was battling for the rights of the masses; and the names of Jefferson, Jackson, Calhoun and a host of others will go down into history loved and revered in the hearts of their countrymen. Let us stir up our minds by way of remembrance, by quoting from the written words of a few great Democratic champions. Let Jefferson speak:

Bank paper must be suppressed and the circulation restored to the nation, to whom it belongs.

The power to issue money should be taken from the banks and restored to Congress and the people.

I sincerely believe that banking establishments are more dangerous than standing armies.

I am not among those who fear the people. They, and not the rich, are our dependence for continued freedom. And to preserve their independence we must not let our rulers load us with perpetual debt.

Put down the banks, and if this country could not be carried through the longest war against her most powerful enemy without ever knowing the want of a dollar, without dependence on the traitorous class of her citizens, without bearing hard on the resources of the people, or loading the public with an indefinite burden of debt, I know nothing of my countrymen.

From President Andrew Jackson's inaugural message I quote the following:

It being thus established by unquestionable proof that the Bank of the United States was converted into a permanent electioneering engine, it appeared to me that the path of duty which the executive department of the Government ought to pursue was not doubtful. As by the terms of the bank charter no officer but the Secretary of the Treasury could remove the deposits, it seemed to me that this authority ought to be at once exerted to deprive that great corporation of the support and countenance of the Government in such a use of its funds and such exertion of its power. In this point of the case the question is distinctly presented, whether the people of the United States are to govern through Representatives chosen by their unbiased suffrages, or whether the power and money of a great corporation are to be secretly exerted to influence their judgment and control their decisions. It must now be determined whether the bank is to have its candidates for all offices in the country, from the highest to the lowest, or whether candidates on both sides shall be brought forward, as heretofore, and supported by the usual means.

Still another. Listen to the words of Thomas H. Benton, a Representative for a long term of years from the State of Missouri in this body, and whose spirit still lives in our present Representatives from that State. He speaks as follows:

The Government itself ceases to be independent, it ceases to be safe when the national currency is at the will of a company. The Government can undertake no great enterprise, neither war nor peace, without the consent and coöperation of that company; it can not count its revenues six months ahead without referring to the action of that company—its friendship or its enmity, its concurrence or opposition—to see how far that company will permit money to be scarce or to be plentiful; how far it will let the money system go on regularly or throw it into disorder; how far it will suit the interest or policy of that company to create a tempest or suffer a calm in the money ocean. The people are not safe when such a company has such a power. The temptation is too great, the opportunity too easy, to put up and put down prices, to make and break fortunes, to bring the whole community upon its knees to the Neptunes who preside over the flux and reflux of paper. All property is at their mercy. The price of real estate, of every growing crop, of every staple article in the market is at their command. Stocks are their playthings, their gambling theater, on which they gamble daily with as little secrecy and as little morality and far more mischief to fortunes than common gamblers carry on their operations.

One more quotation; and in this I do not wish to cast any reflection upon the senior Senator from Indiana, now a member of the Senate. For thirty years I have been accustomed to look upon him as the champion of the liberties of the people. He was known in the country where I resided as the "Sycamore of the Wabash" who stood amidst all the legislative storms, unyielding and unbending against all forms of class legislation. Proudly have the people treasured the eloquent words as they fell from his lips. And whatever may have been his failings the masses have looked upon him as the worthy successor of the patron saints of Democracy in defending their rights against the encroachments of the money power. I could entertain the Senate for days together by reading extracts from elegant speeches of his in the RECORD before me. But the following quotation from a speech delivered in this room, June 19, 1882, during the discussion at the time of the recharter of the national banks, will be sufficient to show his life-time record. On June 19, 1882, in a speech on this floor, he said:

A brief glance at the conduct of the banks during the last year and a half is all that I can indulge in at this time, but it is sufficient to prove the truth of what I say.

In the closing days of the last Congress and of the last Administration the banks precipitated an issue upon the people which ought not to be forgotten on an occasion like this: an issue so full of danger to constitutional liberty that it ought to be faithfully remembered now that they are asking a new and indefinite lease of power.

It is now twenty years ago that this Government first engaged in building up, fostering, and encouraging the present vast and overshadowing system of national banking.

No favor ever demanded by the banks has ever been withheld, no privilege denied, until now they constitute the most powerful moneyed corporations on the face of the globe. Congress has heretofore on nearly all occasions abdicated its powers under the Constitution over the finances of the banks, except when called upon to legislate in their favor. They have demanded the violation of legislative contracts with the people, and the demand has been granted, whereby their own gains and the people's burdens have been increased a thousand fold beyond right and justice. They have demanded the remission of all taxation on their bonds, and it has been conceded, thus leaving the poor to pay the taxes of the rich. They have been fortified in their strongholds of moneyed caste and privilege by double lines of unjust laws, supplemented with here a redoubt and there a ditch, to guard them from the correcting hand of popular indignation, until now, deeming themselves impregnable, they bully and defy the Government.

* * * * * * *

Sir, with full and unrestricted power over the volume of the currency and, consequently, over all values conceded to the banks, together with ample machinery by which in an emergency they can defy the passage of any act of Congress, what is left to the Government except an abject submission? This Government could not, to-morrow, go to war in defense of its flag, its honor, or its existence without first asking permission to do so of the great financial corporations of the country. If there was an invading force on our soil this hour, Congress could not with safety or show of success declare war to repel it without first supplicating cowardly and unpatriotic capital, engaged in banking, not to contract the currency, withhold financial aid, and leave the country to starve. In fact, there is no measure of this Government, either in peace or in war, which is not wholly depending on the pleasure of the banks.

This Government is at the mercy of its own creatures. It has begotten and pampered a system which is now its master. The people have been betrayed into the clutches of a financial despotism which scorns responsibility and defies lawful restraint. * * *

The methods adopted by our present national banking system are also similar to those pursued by the United States Bank in its rebellion against the Government. The contest between the United States Bank and the United States Government commenced in 1829 and terminated in 1836, covering a period of seven years, as long as the American revolution, and involving results as important to the rights and power of the people to govern themselves. The charter of the bank was to expire in 1836, and Andrew Jackson, who was a magnanimous foe, gave notice in 1829 that it should never be renewed with his consent. The war at once opened. A torrent of incessant abuse was at once poured on Gen. Jackson and his supporters by the bank and its stipendiaries. The newspapers of that period show that he and his followers were all stigmatized as hopelessly ignorant on the subject of the finances and bent on destroying the public credit. These charges have a familiar sound and are in daily use now, as they were fifty years ago, against all who dare oppose the insolent pretensions of the banks.

As I read these words, Mr. President, and place them side by side with the position now held by the chairman of the Committee on Finance, I must confess that I am grieved and pained. It must mark the fact Democracy is fast drifting away from its moorings. Have we already arrived at the time when platforms are meaningless platitudes? Have we already come to this, that the Democratic party in order again to be victorious must beg and cringe at the foot of the money power? It has been said in speeches delivered on both sides of this Chamber that the money power has dictated the Presidential nominations of both political parties for the past twenty years, and that now our Chief Executive stands upon the same financial platform as did Mr. Harrison four years ago. What is thought by a score or more Democrats in Congress here is thought by hundreds of thousands of people who are rapidly becoming educated upon financial questions. As was well said by the Hon. RICHARD P. BLAND, of Missouri, "We have come to the parting of the ways."

Democrats are beginning to understand what is Democracy. Representatives can no longer retain their seats in Congress and conceal their views upon these vital questions. Every man must show his colors. As I read Democracy there are Democrats in name to-day who are not Democrats; for in every contest between the people and the money power they are found as defenders of class legislation. Many speeches already delivered in this Chamber might well cause the fathers of Democracy to groan in their tombs. Behold what a change has taken place. Democrats vie with Republicans in the race for the almighty dollar. They have come to worship the aristocracy of wealth, and declare that the dollar is greater than the man. A few men of wealth apparently stand higher in the estimation of the party than the great body of common men who have bravely espoused the party cause. Democracy has been made the victim of the wiles of the money power, who have not lost an opportunity to nominate the man to be placed at the head of both national tickets. But Democracy has taken this step at the cost of disrupting the party organization.

THE PEOPLE DEMAND JEFFERSONIAN DEMOCRACY.

The people are still wedded to old-fashioned Jeffersonian Democracy, and if they can not have it in their own parties they will construct another. They are not to be frightened by the daily assertions of a subsidized press that "The people demand repeal," "All lovers of honest money demand repeal," "All newspaper men demand repeal," "Only lunatics and silver-mine owners oppose repeal." The New York World a short time ago published what purported to be Virginia's demands for repeal of the Sherman law. It was boldly asserted that these dispatches represented the sentiment of Virginia. But, Mr. President, Virginia is very like other agricultural States. There are bankers and capitalists enough to control the party organization, and the press, and imagine they are the people because most of the people are obligated to them. They control political conventions because they are shrewd tacticians. They are the agents and copartners of the great Eastern money centers.

Puffed up with a sense of their importance they feel that the people are but a common herd who should be grateful for their guidance and dictation. They meet as did the three tailors of Tooley street and resolve, "That we are the people of America and so forth." Our bankers meet and resolve, first, that the rights of the people must be protected; and, second, resolve that we are the people. The press and the bankers, though but a fraction of the population, have the money to make themselves felt. Money talks. One man with $10,000,000 is in politics equal to 10,000,000 men with $1 each, at least such has been the case. But this day, Mr. President, is fast passing away. The people are informed on financial matters and are fast showing themselves capable of managing their own political affairs. The glory of the money power must soon wane. Such is the declaration of the People's party and the great body of Democracy.

THE PEOPLE DEMAND THE ABOLITION OF NATIONAL BANKS.

But while talking of the money power, I can not refrain from saying a few words as to our banking institutions. There are many lessons to be learned from the late panic; but the clearest and most significant is that we must get back to the Constitution and permit the Government to issue and control her own volume of currency. Many strong speeches have been made on both sides of this Chamber against socialism and paternalism. It is not my purpose to-day to discuss the correctness or incorrectness of these theories. But it is safe to say that in a modified form a large majority of the people to-day demand the extension of this policy. What works so well in our present post-office system it is thought should be extended to the telegraph and the railroads. But whatever may be argued against these on the ground of unconstitutionality can not be argued against the paternalism of the control by the Government of her own volume of currency. The framers of the Constitution were emphatic and explicit on this point.

In accordance with this, the people are opposed to the further extension of power and privileges to the banking fraternity. The system is wrong in principle. Money, Mr. President, is the lifeblood of commerce; restricted and controlled, stagnation ensues in all lines of business. As well delegate the power to control the circulation of the blood of the human body as to trust the circulating medium—the life of the people's trade—in the hands of private and selfish individuals. As it is not just that articles of common consumption should pass through many hands between the producer and the consumer merely for the purpose of supporting a class of people who prefer to trade rather than to produce, so it is not wise that the issue of the people's money should be delegated to private corporations merely for the sake of furnishing a lucrative occupation for a class of selfish money-getters. To borrow the expression of the Senator from Missouri [Mr. COCKRELL], "It is a wrong principle that the money of a nation should be allowed to percolate through the fingers of the national bankers before reaching the people."

But the wrongness of the principle is equaled only by the audacity of the banking fraternity in asserting that there is very little or no profit in the banking business. There may have been times during the past thirty years, but they are few, when, on account of the high price of bonds, there was not great profit in bank circulation, but the fact remains that the banking institutions of the United States have already fulfilled the dire predictions made by their opponents when the first charter was granted, in 1863, and have proved the mghtiest agents in the centralization of wealth. To day the money power of the world speaks to us and commands through the national banks of the United States.

To whom, Mr. President, are these institutions amenable, As I understand the law, they were created to be servants and not tyrants; to be a public benefit, not a public burden; and they should be compelled to close their doors when they cease to perform the functions of banks. They were created, first, as places of safe deposit for the people's funds; and second, were given the power to issue and in a measure control the volume of national currency. But repeatedly have we been compelled to witness the failure of these institutions to perform both these public functions. The people have largely in the past cherished the delusion that national banks were in some way safer than private banks and were responsible for the money of depositors. But this dream has of late been rudely shaken. For years, also, the people have imagined that the banks were public benefactors in the issue of the circulating medium; but even our most credulous business men during the past few months have been forced to admit that the banks have been prompted by self-interest alone. It is plainly too much power to place in the hands of a corporation whose only principle is the increase of their own wealth.

In times of great financial disaster the commerce of our country is compelled to fall at their feet. It is impossible to conceive how Congress should have delegated so much power and authority to private institutions. It is a remarkable fact that in the past twenty years national banks have managed their circulating medium to the detriment of the public welfare, and have retired their circulating medium when they thought the volume of currency was too great and have increased it again when there was urgent demand and high rates of interest for money. From the remarks of the Senator from Missouri on August 16, last, I notice that in 1881, when Congress threatened a reduction in the rate of interest on bonds to 3½ per cent, the New York banks "rushed down like a hungry horde" and retired eighteen millions of their circulation in one day, and threatened, moreover, to retire all their circulation unless Congress acquiesced in their demands. During the present financial stringency, when rates of interest went up in New York to 20 per cent, they rushed to the Treasury and took out nearly thirty millions of paper circulation in one month.

I have before me, Mr. President, the report of the Comptroller of the Currency for 1892. From this I quote a few facts to show the power of the national banks in increasing or decreasing the volume of the currency. Since it is not compulsory upon them to take out circulation, and since they have power to retire their notes and take up their bonds, they can make money cheap or dear at will. They have it in their power, moreover, to come to the rescue of the country in times of disaster such as the one through which we have passed, if they are patriotic enough and wish to do so.

The Comptroller, on page 50, states that the national banks, from October 31, 1883, to October 31, 1890, decreased their circulation as follows:

Oct. 31, 1883, to Oct. 31, 1884	$24,170,676
Oct. 31, 1884, to Oct. 31, 1885	15,545,461
Oct. 31, 1885, to Oct. 31, 1886	56,590,533
Oct. 31, 1886, to Oct. 31, 1887	50,495,589
Oct. 31, 1887, to Oct. 31, 1888	16,848,739
Oct. 31, 1888, to Oct. 31, 1889	22,159,043
Oct. 31, 1889, to Oct. 31, 1890	15,248,549
oct. 31, 1890, to Oct. 31, 1891 (increase)	11,795,101
Oct. 31, 1891, to Oct. 31, 1892 (increase)	10,487,226

It is supposed that the contraction had by this time proceeded far enough to make their circulation profitable. But these banks took very slow steps recently to relieve the stringency of the money market. The Comptroller says:

Of the 3,773 banks, 2,737 have a capital not exceeding $150,000, nor less than $50,000, which is the lowest amount any bank in the system may have, the aggregate capital amounting to $221,057,830. The remaining 1,036 have a capital of over $150,000 each, the aggregate amounting to $465,515,185. If an amount of bonds equal to the total capital were deposited to secure circulation, the banks to-day might have a circulation amounting to $617,915,714, or $521,557,927 more than the present minimum.

Here is, moreover, a list of eleven important national banks which have not thought it necessary to take out circulation:

Title of bank.	Capital.	Bonds.
Chemical National Bank, New York, N. Y	$300,000	$50,000
Mechanics' Nationel Bank, New York, N.Y	2,000,000	50,000
Merchants' National Bank, New York, N. Y	2,000,000	50,000
National City Bank, New York, N. Y	1,000,000	50,000
National Park Bank, New York, N. Y	2,000,000	50,000
National Bank of Washington, D. C	200,000	50,000
Chestertown National Bank, Chestertown, Md	60,000	12,000
First National Bank, Butte, Mont	100,000	25,000
First National Bank, Houston, Tex	100,000	25,000
Citizens' National Bank, Englewood, N. J	50,000	12,500
National Bank of Cockeysville, Md	50,000	12,500

In a speech delivered in this Chamber the late Senator Plumb made this very remarkable statement as to the customs of national banks in expanding and contracting their currency. In April, 1888, he said:

But this contraction of the currency, by means of the retirement of national-bank circulation, has been going on for more than ten years, and all the committee has to say now is that it has considered some bill, but it is not completed. If the committee will not complete some measure the Senate must. If the Senate will not, and the other House will not, then the country is going upon the breakers of financial disturbance. As a Senator says in my hearing, "it is there now." I think it is there now. We are dealing with a question which has more to do with the welfare of the people of the United States, which is of more concern to them than any other thing that is pending in either House of Congress, or which can be pending—the volume of the circulating medium of the country, the value of its property, the difference between debt and bankruptcy on the one hand, and freedom from debt and prosperity on the other.

It is estimated that there are in circulation, including that which is locked up in the Treasury and held in the banks as a reserve fund, about $1,600,000,000, of all kinds of currency of the United States, gold and silver, the overplus of gold and silver certificates, greenback notes and national-bank notes, all told, and there are more than $60,000,000,000 of property which must finally be measured by this volume of currency. It has been contracted during the last year more than 5 per cent in addition to all that has occurred by reason of abrasion and loss. No man can tell the volume of greenbacks outstanding. Nominally it is $346,000,000 and a fraction, but that volume has been subject to all the accidents which have occurred during the past twenty-five years, whereby money has been consumed, worn out, lost, and it is doubtful if the amount is really over $300,000,000 to-day.

But saying nothing about that, the retirement of the national-banking circulation during the past twelve months has been 5 per cent of the total amount of the currency outstanding. There has been during that period a phenomenal depreciation of the prices of property. There has been the greatest depreciation of the price of agricultural products the country has ever known.

* * * * * * *

The contraction of the currency by 5 per cent of its volume means the depreciation of the property of the country $3,000,000,000. Debts have not only increased, but the means to pay them have diminished in proportion as the currency has been contracted. Events based upon nonlegislation have proved of advantage to lenders, but disastrous to borrowers.

I have referred, Mr. President, during my remarks to the attempt of the money power to control the action of Congress during President Jackson's Administration, and to the economic folly of delegating the control of the money volume to a private corporation. I hold in my hand a valuable work, entitled "Executive Messages," published in 1841. From this I wish to make a few pertinent quotations. One might think he was reading from certain economic journals of to-day on the banks, monopolies, and the subsidized press. This is the Democratic bible, and is good enough to read over and over again.

THE DEMOCRATIC BIBLE.

In this work, on page 408, I find a statement in President Jackson's message of December 3, 1833, as to the power of this great money corporation to control Congress and the press.

Since the last adjournment of Congress the Secretary of the Treasury has directed the money of the United States to be deposited in certain State banks, designated by him, and he will immediately lay before you his reasons for this direction. I concur with him entirely in the view he has taken of the subject, and some months before the removal I urged upon the Department the propriety of taking that step. The near approach of the day on which the charter will expire, as well as the conduct of the bank, appeared to me to call for this measure, upon the high considerations of public interest and public duty. The extent of its misconduct, however, although known to be great, was not at that time fully developed by proof.

It was not until late in the month of August that I received from the Government directors an official report, establishing beyond question that this great and powerful institution had been actively engaged in attempting to influence the elections of the public officers by means of its money; and that, in violation of the express provisions of its charter, it had, by formal resolution, placed its funds at the disposition of its president, to be employed in sustaining the political power of the bank. A copy of this resolution is contained in the report of the Government directors before referred to, and however the objects may be disguised by cautious language, no one can doubt that this money was in truth intended for electioneering purposes, and the particular uses to which it was proved to have been applied abundantly show that it was so understood. Not only was the evidence complete as to the past application of the money and power of the bank to electioneering purposes, but that the resolution of the board of directors authorized the same course to be pursued in future.

It being thus established by unquestionable proof that the Bank of the United States was converted into a permanent electioneering engine, it appeared to me that the path of duty which the executive department of the Government ought to pursue was not doubtful. As by the terms of the bank charter no officer but the Secretary of the Treasury could remove the deposits, it seemed to me that this authority ought to be at once exerted to deprive that great corporation of the support and countenance of the Government in such an use of its funds and such an exertion of its power. In this point of the case the question is distinctly presented whether the people of the United States are to govern through their representatives chosen by their unbiased suffrages or whether the power and money of a great corporation are to be secretly exerted to influence their judgment and control their decisions. It must now be determined whether the bank is to have its candidates for all offices in the country, from the highest to the lowest, or whether candidates on both sides of political questions shall be brought forward as heretofore and supported by the usual means.

Again, on page 422 (Jackson's message, December 2, 1834), reference is made to the money power of the East in creating financial panics. At the beginning of my remarks I referred to the power of the moneyed organizations in New York to bring about a financial panic; that they had organization to bring about such a panic; that they had the disposition to do it, and that the supposition was they had produced the present financial panic. Notice the similarity between the condition then and the condition now.

Circumstances make it my duty to call the attention of Congress to the Bank of the United States. Created for the convenience of the Government, that institution has become the scourge of the people. Its interference to postpone the payment of a portion of the national debt, that it might retain the public money appropriated for that purpose to strengthen it in a political contest, the extraordinary extension and contraction of its accommodations to the community, its corrupt and partisan loans, its exclusion of the public directors from a knowledge of its most important proceedings, the unlimited authority conferred on the president to expend its funds in hiring writers and procuring the execution of printing and the use made of that authority, the retention of the pension money and books after the selection of new agents, the groundless claim to heavy damages in consequence of the protest of the bill drawn on the French Government, have, through various channels, been laid before Congress.

Immediately after the close of the last session the bank, through its president, announced its ability and readiness to abandon the system of unparalleled curtailment and the interruption of domestic exchanges, which it had practiced upon from the 1st of August, 1833, to the 30th of June, 1834, and to extend its accommodations to the community. The grounds assumed in this annunciation amounted to an acknowledgment that the curtailment, in the extent to which it had been carried, was not necessary to the safety of the bank, and had been persisted in merely to induce Congress to grant the prayer of the bank in its memorial relative to the removal of the deposits, and to give it a new charter. They were substantially a confession that all the real distresses which individuals and the country had endured for the preceding six or eight months had been needlessly produced by it with the view of effecting, through the sufferings of the people, the legislative action of Congress.

It is a subject of congratulation that Congress and the country had the virtue and firmness to bear the infliction; that the energies of our people soon found relief from this wanton tyranny, in vast importations of the precious metals from almost every part of the world; and that, at the close of this tremendous effort to control our Government, the bank found itself powerless and no longer able to loan out its surplus means. The community had learned to manage its affairs without its assistance, and trade had already found new auxiliaries; so that on the 1st of October last the extraordinary spectacle was presented of a national bank more than one-half of whose capital was either lying unproductive in its vaults or in the hands of foreign bankers.

On page 424, of the same message, is an extract which shows the tyranny of banks over the rights of the people:

The high-handed career of this institution imposes upon the constitutional functionaries of this Government duties of the gravest and most imperative character—duties which they cannot avoid, and from which, I trust, there will be no inclination on the part of any of them to shrink—my own sense of them is most clear, as is also my readiness to discharge those which may rightfully fall on me. To continue any business relations with the Bank of the United States, that may be avoided without a violation of the national faith, after that institution has set at open defiance the conceded right of the Government to examine its affairs; after it has done all in its power to deride the public authority in other respects, and to bring it into disrepute, at home and abroad; after it has attempted to defeat the clearly expressed will of the people by turning against them the immense power entrusted to its hands, and by involving a country, otherwise peaceful, flourishing and happy, in dissension, embarrassment, and distress—would make the nation itself a party to the degredation so sedulously prepared for its public agents, and do much to destroy the confidence of mankind in popular governments, and to bring into contempt their authority and efficiency. In guarding against an evil of such magnitude considerations of temporary convenience should be thrown out of the question, and we should be influenced by such motives only as look to the honor and preservation of the Republican system.

Omitting a few lines I read on:

Events have satisfied my mind, and I think the minds of the American people, that the mischiefs and dangers which flow from a national bank far overbalance all its advantages. The bold effort the present bank has made to control the Government, the distresses it has wantonly produced, the violence of which it has been the occasion in one of our cities famed for its observance of law and order, are but premonitions of the fate which awaits the American people should they be deluded into a perpetuation of this institution, or the establishment of another like it. It is fervently hoped, that thus admonished, those who have heretofore favored the establishment of a substitute for the present bank will be induced to abandon it, as it is evidently better to incur any inconvenience that may be reasonably expected than to concentrate the whole moneyed power of the Republic in any form whatsoever, or under any restrictions.

Then again, on page 498—the veto message of President Jackson—there is a very remarkable prediction as to the concentration of wealth in the United States:

It is to be regretted that the rich and powerful too often bend the acts of Government to their selfish purposes. Distinctions in society will always exist under every just government. Equality of talents, of education, or of wealth, can not be produced by human institutions. In the full enjoyment of the gifts of Heaven, and the fruits of superior industry, economy, and virtue, every man is equally entitled to protection by law. But when the laws undertake to add to these natural and just advantages, artificial distinctions, to grant titles, gratuities, and exclusive privileges, to make the rich richer and the potent more powerful, the humble members of society, the farmers, mechanics, and laborers, who have neither the time nor the means of securing like favors to themselves, have a right to complain of the injustice of their Government. There are no necessary evils in government. Its evils exist only in its abuses. If it would confine itself to equal protection, and, as Heaven does its rains, shower its favors alike on the high and low, the rich and the poor, it would be an unqualified blessing.

Again, omitting a few lines, I read:

Experience should teach us wisdom. Most of the difficulties our Government now encounters, and most of the dangers which impend over our Union, have sprung from an abandonment of the legitimate objects of government by our national legislation, and the adoption of such principles as are embodied in this act. Many of our rich men have not been content with equal protection and equal benefits, but have besought us to make them richer by act of Congress. By attempting to gratify their desires, we have, in the results of our legislation, arrayed section against section, interest against interest, and man against man, in a fearful commotion which threatened to shake the foundation of our Union.

It is time to pause in our career, to review our principles, and, if possible, revive that devoted patriotism and spirit of compromise which distinguished the sages of the Revolution, and the fathers of our Union. If we can not at once, in justice to interests vested under improvident legislation, make our Government what it ought to be, we can, at least, take a stand against all new grants of monoplies and exclusive privileges, against any prostitution of our Government to the advancement of the few at the expense of the many and in favor of compromise and gradual reform in our code of laws and system of political economy.

This, Mr. President, is the prophesy. To-day we have the fulfillment before our eyes. From the Forum of November, 1889, I quote a table compiled by Mr. Thomas G. Shearman, which is to this effect:

Concentration of wealth in the hands of the few.

Families.	Worth.
70	$2,625,000,000
90	1,025,000,000
180	1,440,000,000
135	968,000,000
360	1,656,000,000
1,755	4,036,000,000
6,000	7,500,000,000
7,000	4,550,000,000
11,000	4,125,000,000
14,000	3,220,000,000
16,500	2,722,000,000
50,000	5,000,000,000
75,000	4,500,000,000
200,000	4,000,000,000
1,000,000	3,500,000,000
2,000,000	4,000,000,000
9,620,000	7,215,000,000
13,002,090	62,082,000,000

Now let us put them into four great classes:

Families.	Worth.
182,090	$43,367,000,000
1,200,000	7,500,000,000
2,500,000	5,200,000,000
9,120,000	6,015,000,000
13,002,090	62,082,000,000

One year ago I had occasion to refer to this matter in particular and to show the concentration of wealth upon the Atlantic seaboard. I showed then that there was a ruinous inequality in the distribution of the loanable funds of the banks of the United

States. I again submit the table as a portion of my remarks, with the remarks, I then made upon it.

Table showing by States and Territories the population of each on June 1, 1891, and the aggregate capital of national and State banks, loan and trust companies, and savings and private banks in the United States on June 30, 1891, and the average of these per capita of population.

States and Territories.	Population June 1, 1891.	All banks.	
		Capital, etc.	Average per capita.
Maine	663,000	$81,253,068	$122.55
New Hampshire	379,000	96,225,832	253.89
Vermont	333,000	40,981,914	123.07
Massachusetts	2,299,000	742,651,224	323.02
Rhode Island	352,000	127,126,389	361.15
Connecticut	764,000	199,953,331	261.72
New York	6,110,000	1,663,604,173	272.27
New Jersey	1,484,000	119,766,779	80.70
Pennsylvania	5,382,000	546,267,053	101.50
Delaware	170,000	14,886,050	87.56
Maryland	1,048,000	101,096,200	96.46
District of Columbia	236,000	20,146,171	85.37
Virginia	1,670,000	42,131,055	25.23
West Virginia	775,000	14,113,894	18.26
North Carolina	1,658,000	10,602,746	6.47
South Carolina	1,165,000	14,556,233	12.49
Georgia	1,867,000	22,682,049	12.14
Florida	405,000	8,485,786	20.95
Alabama	1,538,000	14,900,568	9.69
Mississippi	1,309,000	11,754,338	8.98
Louisiana	1,137,000	35,138,019	30.90
Texas	2,304,000	65,070,737	28.24
Arkansas	1,161,000	7,607,971	6.55
Kentucky	1,870,000	86,078,682	46.03
Tennessee	1,773,000	42,603,237	24.03
Ohio	3,720,000	220,297,991	59.22
Indiana	2,213,000	71,753,885	32.42
Illinois	3,899,000	271,513,188	69.61
Michigan	2,139,000	124.332,290	58.12
Wisconsin	1,728,000	91,828,490	53.14
Iowa	1,935,000	111,981,211	57.87
Minnesota	1,360,000	102,482,170	75.35
Missouri	2,734,000	164,047,645	60.00
Kansas	1,448,000	53,896,588	37.22
Nebraska	1,148,000	69,333,620	60.39
Colorado	440,000	40,480,478	92.00
Nevada	44,000	1,176,791	26.75
California	1,244,000	271,189,235	218.00
Oregon	333,000	17,878,204	53.69
Arizona	61,000	1,272,356	20.86
North Dakota	193,000	8,985,308	46.56
South Dakota	341,000	11,669,101	34.22
Idaho	93,000	2,588,258	27.83
Montana	145,000	20,277,490	139.85
New Mexico	157,000	4,415,963	28.12
Indian Territory	181,300	282,954	1.56
Oklahoma	115,000	480,347	4.18
Utah	214,000	15,358,062	71.77
Washington	375,000	27,859,317	74.29
Wyoming	66,000	5,373,750	81.42
Total	64,156,300	5,840,438,191	91.03

A glance at the tables submitted will show that the Eastern States are enjoying the benefits of a per capita of loanable funds ranging from $80.70 in New Jersey to $361.72 in Rhode Island, while the Southern States have only $6.56 in Arkansas to $30.90 in Louisiana. This inequality becomes more marked as the statistics of loans and currency are considered, which will be brought out further on. To such an extent has this inequitable condition of congestion in the East and depletion in the South and West obtained as to attract the attention of many who have heretofore doubted its existence, and may lead to a thorough awakening of public interest in the matter.

It will be noticed that out of the gross amount of loanable funds aggregating $5,840,438,191, the eleven Eastern States control $3,737,812,013, or nearly 64 per cent, while the eleven Southern States have only $197,041,996, or a little over 3 per cent, and the remaining twenty-seven States and Territories have $1,905,584,182, or about 33 per cent.

The eleven Eastern States, with an area of 117,062,640 acres of land, hold $3,737,812,191 in loanable funds, while the eleven Southern States, with 479,995,758 acres, have but $197,041,996. Reduced to an average, gives the eleven Eastern States $31.93 and the eleven Southern States less than 4 cents per acre. These figures will be met with the statement that the East needs more money than the South, which, under present conditions, is no doubt true, and because it is, furnishes one of the best reasons for a change.

That the financial system as now practiced tends to intensify this situation to the detriment of other sections is apparent to all who will give it even a partial examination. To eliminate the necessity for the West and South going to the East for money to carry on or encourage production, is one of the greatest questions before the American people.

Mr. President, we have had quite a number of references upon the floor of this Chamber to the fact that the press to-day not only works in harmony with the money power, but that it has been subsidized. I wish to refer, upon page 536 of the volume from which I am quoting, to the condition of affairs which existed in the decade between 1830 and 1840. President Jackson said in his communication to the Cabinet, September, 1833:

It has long been known that the president of the bank, by his single will, originates and executes many of the most important measures connected with the management and credit of the bank, and that the committee, as well as the board of directors, are left in entire ignorance of many acts done and correspondence carried on in their name and apparently under their authority. The fact has been recently disclosed, that an unlimited discretion has been, and is now, vested in the president of the bank to expend its funds in payment for preparing and circulating articles and purchasing pamphlets and newspapers calculated by their contents to operate on elections and secure a renewal of its charter. It appears from the official report of the public directors that on the 30th of November, 1830, the president submitted to the board an article published in the American Quarterly Review, containing favorable notices of the bank, and suggested the expediency of giving it a wider circulation at the expense of the bank; whereupon the board passed the following resolution, viz:

"*Resolved*, That the president be authorized to take such measures in regard to the circulation of the contents of the said article, either in whole or in part, as he may deem most for the interest of the bank."

By an entry in the minutes of the bank, dated March 11, 1831, it appears that the president had not only caused a large edition of that article to be issued, but had also, before the resolution of the 30th November was adopted, procured to be printed and widely circulated numerous copies of the reports of Gen. Smith and Mr. McDuffie in favor of the bank, and on that day he suggested the expediency of extending his power to the printing of other articles which might subserve the purposes of the institution. Whereupon the following resolution was adopted, viz:

"*Resolved*, That the president is hereby authorized to cause to be prepared and circulated such documents and papers as may communicate to the people information in regard to the nature and operations of the bank."

The expenditures purporting to have been made under the authority of these resolutions during the years 1831 and 1832 were about $80,000. For a portion of these expenditures vouchers were rendered, from which it appears that they were incurred in the purchase of some hundred thousand copies of newspapers, reports and speeches made in Congress, reviews of the veto message, and reviews of speeches against the bank, etc. For another large portion no vouchers whatever were rendered, but the various sums were paid on orders of the president of the bank, making reference to the resolution of the 11th March, 1831.

Taken in connection with the nature of the expenditures heretofore made, as recently disclosed, which the board not only tolerate but approve, this resolution puts the funds of the bank at the disposition of the president, for the purpose of employing the whole press of the country in the service of the bank, to hire writers and newspapers, and to put out such sums as he pleases, to what persons and for what services he pleases, without the responsibility of rendering any specific account. The bank is thus converted into a vast electioneering engine, with means to embroil the country in deadly feuds, and under cover of expenditures, in themselves improper, extend its corruption through all the ramifications of society.

On page 566 I wish to quote the resolutions of two New England Legislatures touching the action taken by President Jackson with reference to the banks of the United States. These resolutions were passed in a day when the New England hills were not so barren as they are now, and when the Puritans were the dominant factor in New England politics as well as society; when they were in sympathy with the people and not in sympathy with the corporations which seem now to control the Atlantic seaboard. First, I read on page 566:

The two branches of the Legislature of the State of Maine, on the 25th of January, 1834, passed a preamble and series of resolutions, in the following words:

"Whereas at an early period after the election of Andrew Jackson to the Presidency, in accordance with the sentiments which he had uniformly expressed, the attention of Congress was called to the constitutionality and expediency of the renewal of the charter of the United States Bank: and

"Whereas the bank has transcended its chartered limits in the management of its business transactions, and has abandoned the object of its creation by engaging in political controversies, by wielding its power and influence to embarrass the administration of the General Government, and by bringing insolvency and distress upon the commercial community: and

"Whereas the public security from such an institution consists less in its present pecuniary capacity to discharge its liabilities than in the fidelity with which the trusts reposed in it had been executed. and

"Whereas the abuse and misapplication of the powers conferred have destroyed the confidence of the public in the officers of the bank, and demonstrated that such powers endanger the stability of republican institutions: Therefore,

"*Resolved*, That in the removal of the public deposits from the Bank of the United States, as well as in the manner of their removal, we recognize in the Administration an adherence to constitutional rights, and the performance of public duty."

On the 11th of December, 1834, the house of assembly and council composing the Legislature of the State of New Jersey, passed a preamble and a series of resolutions in the following words:

"3. *Resolved*, That we view, with agitation and alarm, the existence of a great moneyed incorporation, which threatens to embarrass the operations of the Government, and, by means of its unbounded influence upon the currency of the country, to scatter distress and ruin throughout the community; and that we, therefore, solemnly believe the present Bank of the United States ought not to be rechartered."

The Senator from Tennessee [Mr. BATE] asks me what book this is. I will state that it is entitled "Messages of the Presidents of the United States, from the formation of the General Government down to the close of the Administration of President Van Buren, concluding with the Inaugural Address of President W. H. Harrison," published in Columbus, Ohio, in 1841.

In closing this book I can not refrain from expressing my admiration for Jacksonian Democracy. If anybody should be anxious to know my political belief to-day as an independent in this body, I would say unqualifiedly that I am a Jacksonian Democrat. Lincoln was a Jacksonian Democrat, Thaddeus Stevens was a Jacksonian Democrat, and there are Jacksonian Democrats to-day upon both sides of this Chamber.

The difficulty to-day is that the members of whom I speak are a party without a leader: they are people without a home; they have no place to go. The trouble is not their own. It is related of an Indian, with the Indian characteristic, who went to the hut of a certain settler at one time, and having lost his bearings, stated that he did not know in which direction his cabin was. The white man said, "Are you lost?" The Indian replied, "Indian no lost; wigwam lost." [Laughter.] The truth is that the great body of Democrats to-day are all right, but the party is lost. There is no place for them unless they are received to the sheltering care of the People's party.

But, Mr. President, the money power since the days of President Jackson has grown from childhood to manhood. It waxes fat and is lusty. Their demands upon their people now are a hundred fold greater than in those early times. Since then the volume of the nation's currency and revenues has grown almost beyond conception. The opportunities for plunder have correspondingly increased. Since the extraordinary session of Congress was called we have one continuous concentrated pressure brought to bear upon us, not only to secure the repeal of this obnoxious law, but clearly outlining the policy to be followed out by the Administration at the suggestion of the money power. It brings us to inquire whether Congress, though the greatest of the coördinate branches of the Government, shall be allowed to assemble and enact laws without the interference from powerful corporate organizations; whether New York shall make laws for the people, or the people make laws for New York. I hold in my hand a little volume giving the constitution, by-laws, members, and committees of a very powerful organization in New York. Their object in organizing is stated in the constitution, as follows:

CERTIFICATE OF INCORPORATION OF THE REFORM CLUB, NEW YORK.

SEC. 2. The particular business or object of such society or club shall be to promote social intercourse among ourselves and others, our associates and successors, and to promote such economic and political reforms as may from time to time, in the opinion of ourselves and others, our associates and successors, governed by a patriotic desire to conserve the public weal, be most conducive to the general good of the people of the United States in their national, State, or municipal government.

They have committees almost equal to the number in the United States Senate; covering the subjects of tariff reform, finance, etc.

THE COMMITTEE ON CURRENCY.

The composition of two important committees is as follows:

COMMITTEE ON CURRENCY.	FINANCE.
Charles S. Fairchild, chairman.	Isidor Straus, chairman.
Henry Hentz, treasurer.	E. Ellery Anderson.
E. Ellery Anderson.	Walter S. Logan.
Henry De Forest Baldwin.	Alfred Bishop Mason.
William J. Coombs.	James Speyer.
A. Augustus Healy.	Everett P. Wheeler.
William S. Opdyke.	Charles S. Fairchild, treasurer.
William Salomon.	
William Trenholm.	
John De Witt Warner.	
Everett P. Wheeler.	
Horace White.	
Louis Windmuller.	
Frank S. Williams, secretary.	

The duties of these two committees seem to be clear. The Press has published the fact that Mr. E. Ellery Anderson, the chairman of the tariff committee, had prepared the tariff bill to be the guide for the Ways and Means Committee of the House of the Fifty-third Congress. From this we may infer that the object of the finance committee of this organization is to draft bills and furnish suggestions to the Finance Committee of Congress. Already they have declared their position on the question now before the Senate. Of this work I read, page 136:

The silver-producing States, strongly moved by their local interests, demanded the adoption of this policy. Many of the Western States, and substantially all of the Southern States echoed this demand. It is not easy to understand the causes which produce results of this nature. A substantial half of our people suddenly appeared to be possessed and honestly possessed of the belief that the passage of a law declaring 412½ grains of standard silver to be the absolute equivalent in value of 25.8 grains of gold would be of inestimable benefit to the whole country. The other half of our people believed with an equal intensity that the proposed measure would work incalculable mischief. The result of the enormous increase of Democratic Representatives in Congress was that an apparent majority of the House favored the free coinage of silver. The interests of New York and the great seaboard States were directly opposed to the adoption of this policy, and the unanimous judgment of their experienced financiers and business men was that the proposed law would result in infinite confusion and disaster.

The effect of this singular divergence of judgment on the promised success of the Democratic party and on the adoption of its policy relating to the tariff was menacing in the extreme. The adoption of a bill for free coinage, or its passage through the House of Representatives would necessarily lead to the defeat of any Democratic candidate for the Presidency in 1892, because no candidate could possibly have drawn to his support the great financial interests of the Atlantic States, including especially the State of New York, after the party had committed itself to the policy of free silver.

These are the views of the controlling element of the Democratic party to-day.

Whether the money power voices the sentiment of this organization or not, this organization certainly voices the sentiment of the money power as represented in the press. We are asked to repeal, urged to repeal, and threatened if we do not repeal.

I have a few clippings from prominent newspapers of Washington and New York, which, if they are not Administration organs, are certainly the organs of the money power.

This maps out clearly the line of policy to be pursued not only by the money power, but by the Administration. We are not asked to repeal the Sherman law alone. From the Washington Post of September 4, 1893, I read a standing advertisement at the head of the first editorial column:

THE SURE ROAD TO BIMETALLISM.

The way to force Europe to agree with us upon international bimetallism is for the United States to stop buying silver and buy gold.

The repeal of the Sherman law is only the first step. If we follow it up by getting our share of the gold of the world, we will compel England to come to our terms.

It is one of the strongest demands made upon Congress to-day that we shall issue a new series of $100,000,000 or $300,000,000 of bonds. The Post of the same issue has an editorial entitled "The easiest way out." It reads as follows:

THE EASIEST WAY OUT.

It occurs to the Post as a sound business proposition that the wisest way to deal with a possible shortage in the Treasury is the simplest and speediest way. That instead of devising any temporary makeshifts or trying any new experiments in order to get around a difficulty, it were better to adopt direct and straightforward methods.

The credit of the Government is unquestionably good for any amount it may need. Assuming, therefore, that by reason of diminishing revenues, which can not be summarily augmented, and increasing expenditures, which can not well be curtailed under the laws authorizing them, the Treasury is likely to be drained of its available resources by the expiration of the present fiscal year, why should the Government hesitate a moment to borrow whatever sum or sums it may require to meet this draft?

A business man whose note was as good as his bond would not stand a moment upon the order of such a proceeding, in case he found himself in a tight place. He would raise the money he wanted, pull himself through, and come out all right.

The Government should do the same thing. Instead of fooling with due bills or scrip, or any other hand-to-mouth nonsense, it should place its bonds upon the market, or be put in a position to do so if it becomes necessary.

If there is really a serious emergency at hand, it will demand prompt relief. It can not wait upon a general reconstruction of our financial system. That will take time, and time is an element of importance in the present situation. The proper thing to do now is to provide for exigencies that can not be postponed, and there ought to be no great difficulty in making the necessary provisions.

Again, another editorial of the same day from the same paper:

GOOD AS FAR AS IT GOES.

The repeal of the Sherman law is good as far as it goes. It will show to the world that this country is not prepared to go on indefinitely buying silver. But up to the present time we have bought so much silver that the notes issued against it, added to the other outstanding notes of the Government, make it necessary to strengthen our gold reserve. If $100,000,000 of reserve was necessary in 1879 to maintain the value of the greenbacks, certainly more is needed now, when the amount of the outstanding notes of the Government is more than double what it was then. Our reserve can be strengthened by selling bonds and buying gold, and not till that is done will Congress have carried out the pledge of both political parties to make every dollar as good as gold: that is to say, as good as every other dollar.

Besides giving this needed strength to our Treasury, the policy of selling bonds and accumulating gold will bring about international bimetallism. In this country public opinion favors international bimetallism, believing it will give greater stability to the measure of all values than we can have with gold alone.

But there is incidentally another aspect of international bimetallism which may fairly be taken into account, and that is its necessary effect on the silver industry of the United States. It will enlarge the use of silver and thus add to its value. Now we have been stimulating the silver industry for years by buying silver, and the country has found it necessary to suddenly stop. This, like the sudden withdrawal of any form of protection, results in hardship to communities and individuals who are in no way responsible for the policy of the Government upon which they have based their undertakings and means of living. To remedy this evil, so far as it may be done without producing other evil, is a plain duty which Congress owes to these people. International bimetallism is an obvious and practicable remedy, which not only does not produce other evils, but, on the contrary, must produce great good to the whole country.

Congress can not enact international bimetallism, but by authorizing the purchase of the gold necessary to strengthen our Treasury it will make Europe see that there is not enough gold to go round, and bring about an international bimetallic agreement.

And again from the same paper:

THE PITY OF IT.

"The proposal to empower the Government to borrow money by an issue of United States bonds is one which Senator SHERMAN would hardly have made without sufficient reason. Further, it is one which the right-thinking men of both parties will feel themselves compelled to support. It is a great pity that the National Government should be obliged to raise money in this way so soon after the advent of a Democratic Administration."—*New York Tribune.*

But what is the "pity" of it? If the Government needs the money, why shouldn't we all be thankful that its credit is good enough to get all it wants? As to the causes which have led up to this exigency, there will be time enough for their discussion when the exigency is provided for.

These causes are numerous; they have been of gradual growth; some of them are of long standing; many of them are but imperfectly understood even by the best financiers; all of them have, no doubt, been severely aggravated by the silver-buying policy of the Government under the Sherman act.

Honors are easy on these points as between administrations. The thing to do now is to meet the necessities of the hour like brave men and patriots, instead of wasting time in a wrangle over the question of responsibility.

So far as the pity business is concerned, however, the Democratic party may congratulate itself that the emergency, if it had to come, has come this early. Better to have it now, speaking from a political standpoint; better now, "so soon after the advent of a Democratic administration," than its postponement to the summer of 1894.

I call attention to an article from the Chicago Inter Ocean, quoted in the Post, September 4:

SENATOR SHERMAN'S POSITION.

JOHN SHERMAN, the great financier of this country is a strong and consistent bimetallist, opposed alike to the gold or the silver single standard. In a word, as he tersely put it, "the problem which Senators have to solve is how to procure the largest use of gold and silver without demonetizing either." There could be no truer definition of the duty of the hour.

Then the language of the Post:

Mr SHERMAN is a bimetallist, and he favors the policy that will lead to bimetallism—the purchase of gold wherewith to strengthen the reserve of the Treasury against possibility of disturbance either at home or from abroad.

The United States insisting upon its equitable share in the distribution of gold. Europe will necessarily concede to equitable terms in the distribution of silver.

The United States wants no monopoly of silver; England nor any other nation should have a monopoly of gold.

Here is a sample of the average New York bankers' circular, with which mail has been burdened the past three months. Our duties are clearly stated:

DEAR SIR: The present financial situation requires the following action by Congress, which should be favored by all interests, to wit:

1. Pass a resolution repealing purchase clauses of Sherman silver bill.

2. Pass a bill authorizing the issue of $300,000,000 of United States 3 per cent bonds, payable in gold, directing United States Treasurer to sell $100,000,000 immediately in Europe, with stipulation that none of them should be resold within the United States; the Treasurer to take this $100,000,000 of gold and issue $100,000,000 of gold certificates against it, and deposit them in the different national banks of the United States, pro rata to their capital and circulation, upon adequate security being given to the Government securing such deposits; such deposits to be preferred liens upon all assets of each bank, etc.

It should also direct the Treasurer to sell $100,000,000 of such bonds immediately in Europe under similar conditions, the money to be placed in the United States Treasury, or left on deposit in London, Paris, and Berlin, for use by the Government in paying deficiencies between the Government's receipts and expenditures, and drawn as needed.

The remaining $100,000,000 should be held subject to sale whenever the necessities of the Government or the financial interests of the country demand it.

Bringing $200,000,000 of gold to this country, in addition to the balances of trade in our favor, would immediately establish confidence in our financial strength.

3. Pass a resolution calling an international conference to establish an international agreement as to the use of silver as currency, to be held within twenty days after the passage of such resolution. Twenty days' notice by cable is amply sufficient to allow time for every government to appoint men who understand the subject thoroughly, and have them meet at some convenient place.

The delegates representing the United States should be selected by Congress, and named in the resolution: two of them to be Senators from the silver States, and two of them equally representative of the other side of the question.

4. Pass the act increasing national-bank circulation to par of deposited bonds.

The above legislation would immediately inspire confidence here and abroad in American finances, and start again the wheels of business, now helplessly clogged.

For the future, the following action should be taken:

This has already been under consideration, and favorably too, by the Committee of Finance.

5. Pass a resolution appointing a committee to consist of five New York bankers of the highest standing, and one each from Boston, Philadelphia, Chicago, St. Louis, Cincinnati, Nashville, Atlanta, Savannah, New Orleans, Galveston, San Francisco, Denver, St. Paul, Detroit, Buffalo, and Pittsburg.

This committee to immediately meet, consider, and report to an adjourned session of Congress a bill incorporating a United States national bank, founded on the same lines as the National Bank of England and the National Bank of France, to be entirely divorced and free from politics; and it being expressly stipulated that one-half of the committee shall be selected from Republican bankers and one-half from Democratic bankers.

A national bank is absolutely necessary for the future financial safety of the country. Under present conditions there is no elasticity to our currency.

Five per cent of our financial business is done with cash.

Ninety-five per cent with credit.

To-day credit is largely destroyed, which leaves us trying to do more than one-half of the business of the country on the insignificant 5 per cent cash, and a considerable proportion of this cash hoarded and taken out of circulation.

To meet emergencies like this, we should have a national bank, having power to make almost an unlimited issue of currency, with the same power and self-interest, when confidence returns, to take and return all this specially-issued currency and retire it.

The Bank of England and the Bank of France have power to issue millions upon millions of additional currency whenever necessary to protect and conduct the finances of the country, and they exercise this power, and therefore such extreme panics as ours are unknown in those countries. When the crisis is over this extra currency is retired.

There is no question as to the safety of this power; it has been exercised by these great banks in these two countries for generations, and has been their financial salvation, and we can have no permanent financial safety in the United States until we create a similar national bank, or else make the United States Treasury a bank, and authorize and direct that in times of panic and destruction of credit the Government shall issue currency to an extent necessary to meet the emergency, and deposit it in the national banks of the country. Of the two measures, it is certainly preferable to have a great national bank, founded on almost exactly the lines of the Bank of England, thus taking financial questions and management entirely out of the influence of politics, because the government of the great National Bank of England is entirely in the hands of the greatest business men of the country, who have no interest whatever in politics, except as citizens.

Yours, truly,

WM. R. CONWAY.

We are expected, Mr. President, to follow out seriatim the programme they have laid down. First, repeal the purchase clause of the Sherman law. Second, grant the banks power to issue circulation to the par value of the bonds deposited at the Treasury. Third, issue a new series of bonds amounting to $300,000,000. Fourth, lay plans to establish a permanent banking system.

I do not hesitate to say that such dictation is un-American, unpatriotic, selfish, and tyrannical. It should sound a note of alarm in the ears of every member of this body, and cause the country to rise to the emergency.

Mr. President, wisdom would dictate an entire revision of our financial system. We should defeat the plans of the money power to continue further their unjust demands upon the people. But let us now begin to consider the advisability of adopting a new medium of exchange. We are crowning a century of remarkable achievements in the arts, sciences, inventions, and literary culture. A new generation is coming which will look upon our crude measures of value, as we now look back upon the wooden plow and the stage coach.

MONEY ECONOMICALLY DISCUSSED.

Money, Mr. President, is a function and may be attached to any material. This is an advanced stand, but I am firmly convinced that our nation and the world will ultimately come to it. Mr. Gladstone, in his speech in the British Parliament February 28 last, says that we have passed beyond the stage of barter and exchange in the primary necessaries of mankind in their first efforts towards civilization. He seems to think that we have made rapid advancement from the primary principles. But such I assert has not been the case. We are still in our transactions exchanging one commodity for another. In barbarous times when a man wanted a horse, he may have exchanged grain or a cow or an instrument of warfare for it. The name of the commodity to be exchanged was not specified. To-day one commodity has been selected by agreement for exchange purposes. So that one must now convert his grain, cow, or instrument of warfare into the commodities of silver or gold and then exchange those for the horse.

How far removed, Mr. President, is this from the old system of barter. It is not only not better, but it is tyrannically worse in some respects. Now, all the exchangeable commodities of man are compelled to walk round systematically and make obeisance to the one commodity, gold. The owner of this favored commodity must feel highly flattered and honored. Gold is to-day the king of commodities, sitting on the throne of commerce and ruling the destinies of individuals and of nations.

During all the ages of history the subject of finance has been shrouded in mystery, the veil being lifted for the benefit of a few of the most favored citizens. The money lender has been trained in all the arts and fine practices of his profession, while the people have accepted their lot, enduring an oppression the cause of which they knew not. Bonds and funding acts, expansions and contractions, demonetization and resumption, and a score of such terms are as meaningless to them as the recitation of a foreign alphabet. They have been accustomed to see banks upon the street corners, but few have ever thought it their right to inquire whence they came, or whether they represented a favored class or not. They know that some are called private banks and some national banks, and that they are convenient places to visit when a check or draft is to be cashed. The law creating the institution is a mystery. They have a currency, but how they came by it they have not thought fit to inquire. There is a vague idea that sometime in the past financiers ciphered out and determined what was to be money. As for the method of getting it stamped and put in circulation Congressmen were elected to do that, and they were elected to accept the result without a word of complaint.

But that day of ignorance, Mr. President, is happily passing by, thanks to our public schools and other institutions of enlightenment. The day of barter is entombed with departed nations of antiquity. With it will soon lie the crude, superstitious ideas of money and finance promulgated to-day. With the introduction of commerce the barter system gave way to a medium of exchange called money. The medium was naught else than a product of nature having a tolerably uniform value, and hence a general measure of commodities. But this theory is fast becoming obsolete, as people come to understand that a medium of exchange is not an equivalent of value, but merely enables the holder to obtain such an equivalent. It is the Government system of bookkeeping, done under the sanction and provisions of the law.

But gold and silver have been thrust upon us from generation to generation, until we have come to think that nothing else can be money.

We are confronted with such media of exchange at birth, and we go through life without raising the question as to their right to fulfill this important office. We look upon the beautiful metals almost with superstition. We see a divine fitness in their selection for this purpose. A prominent economist says:

It is hardly possible to avoid being impressed with the thought of a designing mind as we contemplate the relations of these metals to the economy of the human family. Among all the materials of which the solid earth is composed, two substances are found, each of which is so related to human taste as to render it an object of universal desire among all civilized nations. They are thus fitted and seem intended to unite the whole human family into one great economic world.

But, ordained as a monetary standard or not, the supply of gold, according to the testimony of experts, is rapidly diminishing, while the business and population are rapidly increasing, and we shall be compelled sooner later to adopt a different standard or medium. Gold is nicely adapted for money as far as beauty and divisibility are concerned, but utterly wanting in quantity and regularity of supply, the elements most essential in a standard of value. Whenever and wherever used, it has proven itself a traitor to commercial interests.

KINDS OF MONEY USED BY NATIONS.

China's monetary history is the most extensive known, covering as it does a period of fifty centuries. Hundreds of years before the Christian era they were engaged in commercial intercourse with India, Arabia, Greece, Rome, and Africa, and yet the records show that gold and silver were not always essential as money. Tortoise or porcelain tablets and cowrie shells were used in 2347 B. C.; copper before 2119; clay, mixed with glue, was used for a long period. This was also used in Africa, India, Babylon, Egypt, Siam, Etruria, Rome, Polynesia, and Arabia. In the second century B. C. and during the first, tenth, eleventh, twelfth, thirteenth, fourteenth, and fifteenth centuries paper money was used freely, based sometimes on copper, as in 807 A. D., or as in the reign of Tai Tsu, when the government warehouse system was in use and notes were issued from the treasury on almost all articles deposited.

Frequently these notes were based entirely on the credit of the nation. Sir John Mandeville, in 1327, after visiting China, wrote:

This Emperor maketh no money but of leather imprinted or of paper. And of this money is some of greater and some of lesser price, after the diversity of his statutes. And when the money doth run so long that it beginneth to waste or wear out then they bring it to the Emperor's treasury, and there take new money for the old. And that money goeth throughout all the country and throughout the provinces, for there and even beyond there they make no money neither of gold nor silver.

Fifty centuries have produced in China nearly a score of different media of exchange, all good in their way so long as they were properly managed and constituted money only through the stamp of the government issuing them. Every nation, including our own, has passed through a somewhat similar experience, using tobacco, skins of animals, or other material as a standard of value as occasion demanded.

After five thousand years we are but little in advance of Chinese wisdom. We are but one degree removed from the old system of barter. We have as a civilized nation built upon the ruins of exploded ideas. We follow in the footsteps of those who have ruined nations. Along the highways of history are finger boards pointing to the folly of a currency dug out of the ground at a great expense and so scarce as to cause stagnation to all lines of industry.

MONEY NEED NOT NECESSARILY POSSESS INTRINSIC VALUE.

There is a growing sentiment, Mr. President, amongst the people of our nation that we may readily discard both gold and silver and adopt a new circulating medium which is more convenient, and which will not, like the present standard, be currency only in name. Very little business is done with gold and silver. If we were limited to-day in our currency to gold and silver every branch of business from coast to coast would be in stagnation. Our annual output of gold from the mines is only thirty-two millions, while the annual business done through the clearing houses alone amounts to $60.000,000,000. Ninety-five per cent of all business is done through a paper medium. A metal basis is a delusion calculated to blind the masses and enrich the few.

Treasury notes are the people's money, based not upon the output of this or that mine, but on the wealth of the nation. The stamp is that of a great nation, and signifies that behind every dollar is the power, integrity, valor, and wealth of every State in the Union and of all the States combined. No Treasury note of the United States with such a foundation, when not discriminated against in its debt-paying power, ever depreciated. Twenty different times Treasury notes were issued by our Government before the late war. They were receivable for duties, were legal tender, and not one of them ever depreciated. The first issues of sixty millions of demand notes at the beginning of the war did not depreciate. All this goes to prove that money is money if the creation of law, no matter of what material made, so long as a strong government is behind it.

Hon. JOHN DAVIS, a member of the House, says:

> Money, strictly speaking, is not a material thing. The money function may be attached by law to any proper material. The material should be appropriate, convenient to handle, light to carry, easy to conceal, and difficult to counterfeit. Intrinsic value in the material to which the money function is attached is not necessary.

Dr Franklin said:

> On the whole, no method has hitherto been formed to establish a medium of trade equal in all its advantages to bills of credit made a general legal tender.

Jefferson's financial philosophy was this:

> Our only resource, an ample one for any emergency, Treasury notes bottomed on taxes.

But discussion of this subject is no sooner begun than the cry of "cheap money" is raised. It is called cheap money because it is easily produced. I am not able to discover why we should be compelled, in order merely to procure a circulating medium, to search the bowels of the earth, and tax the resources of our people, when a most excellent and desirable article is at hand, any more than I might see the wisdom in a railroad company's searching the continent of Africa to obtain ivory for baggage checks when brass, a substantial, cheap article, is at hand.

But by whom is the cry of "cheap money" raised? By the banking or creditor class and their friends. These same men, when, during the war, under a paper currency, poor, hard-working farmers contracted debts payable in a money representing a given amount of labor, never thought of raising the cry of dear money when the farmer was compelled to pay in coin. Never in history has there been an instance of an abundance of or even enough money under a gold currency. The money kings can corner the finances and subject the masses to the payment of exorbitant interest. It will be an unprofitable day for money lenders when articles of intrinsic value cease to be money. But the poor will rejoice. The people who live by labor, and who on Saturday night draw their bills and with their wives visit the stores to buy the week's provisions, never object to "cheap money." The farmer, who ciphers close to make receipts and expenditures meet is glad for a "cheap money" which circulates as naturally as blood through the arteries of the human body and can not be held back at the wish of a class who reap rich harvests through loans.

This is the brave money, Mr. President. It accommodates the people in peace, and it is the first to enlist in time of war. Gold has never failed to oppress the people in peace, and has never failed to secure a hiding place in war. "Cheap money" redeemed France in the Revolution. Sir Archibald Alison says it saved England from 1797, to 1815 from being a tributary to France. Gold deserted Venice in 1176, America in 1776, France in 1790, England in 1797, and Europe in 1813. Paper money fought the battles for American independence. It was the nations stay during the late civil war. Why was it good? Because a brave, united people are behind it. It is based upon the entire wealth of the nation.

I lay down, Mr. President, a few fundamental principles as characterizing a sound currency.

1. It must be issued by the sovereign power of the nation.
2. It must be honored by the issuing power by being receivable for public dues, customs, taxes, etc.
3. It must be made a full legal tender for all monetary purposes.
4. It must be beyond the reach of the counterfeiter as far as possible.
5. It should, in the amount of issue, bear a reasonable relation to the public revenues collected.
6. It should be issued by a stable, nonrevolutionary government whose people possess a high degree of enlightenment. No government paper, Mr. President, ever depreciated or was repudiated when issued according to these principles.

CHEAP MONEY IN HISTORY.

But we are pointed to the features of paper money in past history. We are asked to explain the paper money of France. Let me say that it was issued in violation of sound principles; according to Alison, it was counterfeited by the wagonload. The volume was entirely out of proportion to the revenues, and it was made redeemable in gold, which is not redemption. Exchange of dollars is not redemption, and never can be. A dollar is redeemed when it is received in revenue by the government issuing it and not otherwise.

Mr. E. G. Spaulding, a banker in Buffalo, N. Y., in time of the war, chairman of the Subcommittee on Ways and Means in 1861, 1862, and 1863, and known in financial history as "The Father of the Greenback," has discussed commodity redemption of money as follows:

> Every time a hundred-dollar bill passes from one person to another, it is a practical redemption of it by the person who takes it. Every time a merchant at Chicago pays to a farmer $500 in national currency for a carload of

wheat, the farmer by the operation redeems such national currency not in greenbacks, nor in gold, but in a commodity better than either, namely, wheat, a staple article useful to all. So every merchant in New York that sells a bale of cotton goods and receives his pay for it in currency redeems such currency, not in the way that banks redeem it, but in cotton goods, which is far better, because it performs the true functions of money by facilitating the legitimate sale of commodities. So every time that a merchant or manufacturer pays his internal-revenue tax to the United States collector in national currency, the Government redeems such currency by receiving and discharging such tax. So every mechanic or laborer that receives national currency for his services, redeems such currency by the labor performed. So it will be seen that just so long as the national currency is practically redeemed every day in its passage from hand to hand in the payment of commodities and services, and in the ramified operations of trade and business both with the Government and the people whose operations it greatly facilitates, there is not the slighest necessity for resorting to the expensive and risky operation of assorting and sending it home for redemption.—*Spaulding's History*, Appendix, page 10.

[At this point the honorable Senator yielded to Mr. PETTIGREW.]

Mr. KYLE. Mr. President, the money of the Revolution, as Lord Howe says, was counterfeited and sent to America by the shipload. Continental money was terribly depreciated but it was issued out of proportion to the public revenue. It was not receivable for taxes because the Continental Congress had no power to collect taxes; and hence it was crippled in the most essential feature of money. The first issue of our civil war, sixty millions, did not depreciate because they complied with the essential laws above laid down. They differed from subsequent issues, which sank to one-third of a dollar, in that the latter contained the famous exception clause, by which the Government acknowledged them good enough to pay all debts except those due herself. The Government repudiated her own offspring, crippled her own child, and then cast it off because crippled.

The Argentine Republic has been in a straitened condition financially because her paper is depreciated much as ours was during the late war. But it is not receivable for revenues, and is not a general legal tender. On the other hand, Venice in 1176 began her system of book credits, issuing a paper currency which was a full legal tender, was receivable for all revenues, and was not based on coin. This was continued during a period of six hundred years of unexampled prosperity. And when Napoleon marched into Venice with the expectation of finding gold he did not find one dollar. Paper money succeeded in the larger Colonies during the Revolutionary war in this country, even though the times were dark. North Carolina's $400,000 of paper money was kept at par for twenty years after she became a State. Other States did likewise.

There is no reason, Mr. President, why a nation such as ours, covering 3,000,000 square miles of territory, 65,000,000 of people, $63,000,000,000 of wealth with exhaustless resources of all that goes to make up the necessities of mankind, with the best government upon earth, with a people of excellent morality and enlightenment, possessed of remarkable valor and patriotism, and with an annual revenue of over four hundred millions, should not be able to issue and maintain a currency of this character three or four times as great as her revenues. But our financiers have thought otherwise and our legislators have followed suit. The opportunities of the banking class during the years following the war were not great enough and the prosperity of the farmer unparalled. The only remedy, in the judgment of the banker, was to get rid of the greenbacks and call back the deserting coin.

By some superhuman effort we have gotten onto a specie basis at last. How we got there is a picture long to be remembered. We have a mountain of paper upon a pinnacle of metal. It is a resumption in name and not in reality. Three hundred and forty-six millions of greenbacks rest on one hundred millions of gold in the Treasury in case of a possible redemption, and the people are satisfied. They would be as well satisfied if three hundred and fifty millions more were based on the same one hundred millions. But better yet were such issue based on all kinds of property; the cotton of the South, the wheat of the West, the corn of the valleys, and the metals of the mountains. Whether, then, our balances with foreign countries were to be settled in the one product or the other an honored currency would see that it was forthcoming.

PROMINENT ECONOMISTS FAVOR SUCH MONEY.

Sir John Sinclair says:

It was a great discovery when a metallic medium was substituted for barter; it was also a great discovery when paper convertible into coin was substituted for gold and silver; but a third discovery was reserved for our own times, namely, that, with an incontrovertible paper currency, agriculture, commerce, and manufactures might advance in a career of unexampled prosperity.

The following is from the great English philosopher, Herbert Spencer:

England herself does not in reality base her currency on specie; nor could she without bringing all business to a dead stop in a very short time. She just mixes enough of this specie-basis fiction in her finances to continually or periodically divest the laboring classes of their earnings for the benefit of the nobility. But for the real basis of value to her currency she makes the notes of the Bank of England, as well as her coins, a full legal tender for the payment of debts, and not the notes of the other banks. From this we see that even in England specie basis is a mere fiction, a false pretense.

Aristotle, writing of money, says:

Money by itself * * * has value only by law, and not by nature; so that a change of convention between those who use it is sufficient to deprive it of all its value and power to satisfy all our wants.

In his proposal for an economic and secure currency, Ricardo says:

A well-regulated paper currency is so great an improvement in commerce, that I should greatly regret if prejudice should induce us to return to a system of less utility. The introduction of the precious metals for the purposes of money may with truth be considered as one of the most important steps toward the improvement of commerce and the arts of civilized life; but it is no less true that with the advancement of knowledge and science we discover that it would be another improvement to banish them again from the employment to which during a less enlightened period they had been so advantageously applied.

Prof. Francis A. Walker says:

Let me repeat, money is to be known by its doing a certain work. Money is not gold, though gold may be money; sometimes gold is money, and sometimes it is not. Money is no one thing, no group of many things having any material property in common. On the contrary, anything may be money; and anything, in a given time and place, is money which then and there performs a certain function. Always and everywhere that which does the money-work is the money-thing.

Jevons (Money and Exchanges), Chapter VIII, says:

Those who use coins in ordinary business need never inquire how much metal they contain. Probably not one person in two thousand in this kingdom knows, or need know, that a sovereign should contain 123.27447 grains of standard gold.

Money is made to go. People want coin not to keep in their own pockets, but to pass it off into their neighbors' pockets.

Dugald Stewart, professor of moral philosophy in the University of Edinburgh, in his Lectures on Political Economy (Part I, Book II), said:

When gold is converted into coin, its possessor never thinks of anything but its exchangeable value, or supposes a coffer of guineas to be more valuable because they are capable of being transferred into a service of plate for his own use. Why, then, should we suppose that if the intrinsic value of gold and silver were completely annihilated, they might not still perform, as well as now, all the functions of money, supposing them to retain all those recommendations (durability, divisibility, etc.) formerly stated, which give them so decided a superiority over everything else which could be employed for the same purpose.

Supposing the supply of the precious metals at present afforded by the mines to fail entirely the world over, there can be little doubt that all the plate now in existence would be gradually converted into money, and gold and silver would soon cease to be employed in the ornamental arts. In this case a few years would obliterate entirely all trace of the intrinsic value of these metals, while their value would be understood to arise from those characteristical qualities (divisibility, durability, etc.) which recommend them as media of exchange. I see no reason why gold and silver should not have maintained their value as money, if they had been applicable to no other purposes than to serve as money. I am therefore disposed to think with Bishop Berkeley, whether the true idea of money, as such, be not altogether that of a ticket or counter.

These, Mr. President, are the statements of a few of the world's greatest economic teachers. They proclaim a doctrine in advance of their day. It is the economic system of the future by which financial standards will be solved, when legislators and nations have become enlightened, and when we have become tired of quarreling over these so-called precious metals, which are but one degree removed from the cowrie shell of the barbarian. For the present we must adjust ourselves to the times and secure as convenient and accurate a medium of exchange as possible in gold and silver. Gold and silver wedded has been our standard. The question confronting us is whether we shall discard silver and come to an absolute gold basis. There are many reasons, Mr. President, why this step should not be taken.

SILVER IS THE MOST STABLE MEASURE OF VALUE.

The United States uses gold, silver, paper, copper, and nickel; all are money after the money function has been attached. And in the consideration of these materials we have no right to consider whether one is more valuable than another.

Silver is scorned and repudiated to-day by the monometallists, because it does not rise above 75 cents per ounce or because the dollar has silver worth but 55 or 60 cents, while gold they say still maintains its par value and its stability.

It is true that as measured with gold, silver is at a disadvantage. But how, pray, can a parity be maintained when silver is shorn of its money function? You might as well enter two fast and equally matched horses in a race and breaking the leg of one expect it to run an even race, as to expect silver under present circumstances to maintain a parity with gold. No two kinds of money ever remained at a parity unless they possessed an even chance in the eyes of the law. Gold is to-day a legal tender for all debts public and private and for all amounts. Silver is a legal tender, or possesses a money function, only to the amount of $5.

All metals used as money have both a commodity and a monetary value. The copper cent is worth as a commodity but one-eighth of 1 cent, and the stamp of the Government adds the money function, viz, the faith and credit of the Government, which is seven-eighths. The nickel in the 5-cent piece is worth as a commodity but a trifle; with the money function added it is worth 5 cents. The component parts of the silver dollar are 40 cents of commodity and 60 cents of monetary value. The commodity value of the gold dollar is not more than 25 cents, while the stamp of the Government, adding the money function, makes it worth 100 cents. Were the world to-day to relieve gold of its monetary function it would be shoveled into the corners of buildings as more worthless than iron. It would not, as economists tell us, be universally desirable. It is not fit to make plows, shovels, knives, forks, or any other article useful in the mechanical arts. Restore silver again to its rightful place in our monetary system and it will be universally desired by our bankers as well as by the poor.

The material chosen for money, Mr. President, must first be a convenient medium of exchange, and second, a constant and invariable measure of the value of commodities. Of the former I have already spoken; I will only add that about the only argument which has been adduced against silver is that it is bulky and can not be easily handled. If this is an objection, it is one that comes from bankers only. The people never complain, except because they are denied the privilege of carrying it. Silver is the poor man's money. It circulates in all the small transactions of life, and a large percentage of business dealings are small transactions. The people love silver. They revere it because of its antiquity and because it has always been the money of the people. There can be no reason for taking it away from them, except that by its presence they are made less dependent upon the gold of the rich. The bankers to-day are relieved from the burden of handling silver coins through the convenience of silver certificates. Give silver coins the same chance under the law that gold has, and it will go to the people and never return for redemption or to trouble the banker. Do you wonder, therefore, that the people are aroused at this time as never before in the history of the nation?

I wish to speak more particularly of the second feature of a circulating medium, and that is its constancy and invariability as a measure of the value of commodities. This is an all-important question, seeing that the world is hopelessly in debt and that the situation is growing worse. The kings of plutocracy in Europe to-day rule the world. Every civilized nation upon the globe is under obligation to them. The interest gatherers hourly clip their coupons, which go across all seas and represent the gold tribute they exact from the poor and unfortunate of all countries. Contracts have been made for a century, and will continue to be made for a century to come. The question, therefore, becomes as important to the creditor as to the debtor. The former wishes the payment of his money in a material which represents as much to him as at the time the loan was made, and the latter wishes to cancel his obligation with products which cost him no more labor than at the time he made the contract.

It is manifestly unjust that pending this stupendous indebtedness the contract should be changed and either party be made to suffer. For the kings of finance to change the terms of payment in contracts with the poor is nothing less than robbery of the most exacting type. This is the question that now confronts us. It is not, as the subsidized press says, an obstruction by silver lunatics and owners of silver mines. The Government has by law fixed a measure of commodities in the bushel, the pound weight, and the yardstick. The grain gamblers have robbed the people enough as it is; but should they attempt, after cornering the wheat of the United States, to change by law the bush l measure and maintain their price there would be revolution. There is almost revolution to-day, Mr. President, through the tampering with the monetary standards. The people protest against the attempt to bring the country and the world to a gold standard especially when gold is enhanced in value by the demonetization of silver.

It has been proven, I think, that this silver is less variable than gold, and therefore should be preserved as the measuring standard.

NOT AN OVERPRODUCTION OF SILVER.

Constancy of supply cuts an important figure as to the constancy and invariability of any metal used as money. But if we shall take the trouble to investigate it will be observed that there has been no great excess in the production of silver, and hence no reason for the change of ratio, much less for a cessation of coinage.

Hon. Thomas V. Carter, of California, has compiled some very valuable facts from statistics, complete for the world to 1889. There has been no change of importance since that time. From this it appears that at that period the world's stock of gold and silver was as follows:

In pounds avoirdupois: Gold, 43,526,435; silver, 633,826,889. The ratio indicated is 14.56.

Turned into dollars the result is as follows: Gold, $14,363,723,229; silver, $12,993,451,501. The result shows an excess of $1,370,271,719 of gold.

Again the total production of gold and silver in the world from 1848 to 1889 is as follows: Gold, 13,333,639 in pounds avoirdupois; silver, 105,026,469. The ratio indicated is 8 to 1.

The value of the same in dollars would be as follows: Gold, $4,418,300,870; silver, $2,153,842.114.

The result shows that more than twice as much gold as silver was produced during that period.

From 1878 to 1889, there was a slight excess in the production of silver over gold, though not such as to cause any great variation. In 1889, the excess of gold over silver was $1,370,000,000. These statements are borne out by the tables furnished by the eminent statistician, Dr. Adolph Soetbeer, for the years 1492 to 1892, inclusive.

Statement of the production of gold and silver in the world since the discovery of America.

[From 1493 to 1885 is from table of averages for certain periods compiled by Dr. Adolph Soetbeer. For the years 1886–1892 the production is the annual estimate of the Bureau of the Mint.]

Period.	Gold.				Silver.				Percentage of production.			
	Annual average of period.		Total for the period.		Annual average of period.		Total for the period.		By weight.		By value.	
	Fine ounces.	Value.	Fine ounces.	Value.	Fine ounces.	Coining value.	Fine ounces.	Coining value.	Gold.	Silver.	Gold.	Silver.
1493–1520	186,470	$3,855,000	5,221,160	$107,931,000	1,511,050	$1,954,000	42,309,400	$54,703,000	11.0	89.0	66.4	33.6
1521–1544	230,194	4,759,000	5,524,656	114,205,000	2,899,930	3,749,000	69,598,320	89,986,000	7.4	92.6	55.9	44.1
1545–1560	273,596	5,656,000	4,377,544	90,492,000	10,017,940	12,952,000	160,287,040	207,240,000	2.7	97.3	30.4	69.6
1561–1580	219,906	4,546,000	4,398,120	90,917,000	9,628,925	12,450,000	192,578,500	248,990,000	2.2	97.8	26.7	73.3
1581–1600	237,267	4,905,000	4,745,340	98,095,000	13,467,635	17,413,000	269,352,700	348,254,000	1.7	98.3	22.0	78.0
1601–1620	273,918	5,662,000	5,478,360	113,248,000	13,596,235	17,579,000	271,924,700	351,579,000	2.0	98.0	24.4	75.6
1621–1640	266,845	5,516,000	5,336,900	110,324,000	12,654,240	16,361,000	253,084,800	327,221,000	2.1	97.9	25.2	74.8
1641–1660	281,955	5,828,000	5,639,110	116,571,000	11,776,545	15,226,000	235,530,900	304,525,000	2.3	97.7	27.7	72.3
1661–1680	297,709	6,154,000	5,954,180	123,084,000	10,834,550	14,008,000	216,691,000	280,166,000	2.7	97.3	30.5	69.5
1681–1700	346,095	7,154,000	6,921,895	143,088,000	10,992,085	14,212,000	219,841,700	284,240,000	3.1	96.9	33.5	66.5
1701–1720	412,163	8,520,000	8,243,260	170,403,000	11,432,540	14,781,000	228,650,800	295,629,000	3.5	96.5	36.6	63.4
1721–1740	613,422	12,681,000	12,268,440	253,611,000	13,863,080	17,924,000	277,261,600	358,480,000	4.2	95.8	41.4	58.6
1741–1760	791,211	16,356,000	15,824,230	327,116,000	17,140,612	22,162,000	342,812,235	443,232,000	4.4	95.6	42.5	57.5
1761–1780	665,666	13,761,000	13,313,315	275,211,000	20,985,591	27,133,000	419,711,820	542,658,000	3.1	96.9	33.7	66.3
1781–1800	571,948	11,823,000	11,438,970	236,464,000	28,261,779	36,540,000	565,235,580	730,810,000	2.0	98.0	24.4	75.6
1801–1810	571,563	11,815,000	5,715,627	118,152,000	28,746,922	37,168,000	287,469,225	371,677,000	1.9	98.1	24.1	75.9
1811–1820	367,957	7,606,000	3,679,568	76,063,000	17,385,755	22,479,000	173,857,555	224,786,000	2.1	97.9	25.3	74.7
1821–1830	457,044	9,448,000	4,570,444	94,479,000	14,807,004	19,144,000	148,070,040	191,444,000	3.0	97.0	33.0	67.0
1831–1840	652,291	13,484,000	6,522,913	134,841,000	19,175,867	24,793,000	191,758,675	247,930,000	3.3	96.7	35.2	64.8
1841–1850	1,760,502	36,393,000	17,605,018	363,928,000	25,090,342	32,440,000	250,903,422	324,400,000	6.6	93.4	52.9	47.1
1851–1855	6,410,324	132,573,000	32,051,621	662,566,000	28,488,597	36,824,000	142,442,986	184,169,000	18.4	81.6	78.3	21.7
1856–1860	6,486,262	134,083,000	32,431,312	670,415,000	29,095,428	37,618,000	145,477,142	188,092,000	18.2	81.8	78.1	21.9
1861–1865	5,949,582	122,989,000	29,747,913	614,944,000	35,401,972	45,772,000	177,009,862	228,861,000	14.4	85.6	72.9	27.1
1866–1870	6,270,086	129,614,000	31,350,430	648,071,000	43,051,583	55,663,000	215,257,914	278,313,000	12.7	87.3	70.0	30.0
1871–1875	5,591,014	115,577,000	27,955,068	577,083,000	63,317,014	81,864,000	316,585,069	409,322,000	8.1	91.9	58.6	41.4
1876–1880	5,543,110	114,586,000	27,715,550	572,931,000	78,775,602	101,851,000	393,878,009	509,256,000	6.6	93.4	53.0	47.0
1881–1885	4,794,755	99,116,000	23,973,773	495,582,000	92,003,944	118,955,000	460,019,722	594,773,000	5.0	95.0	45.5	54.5

1886	5,127,750	106,000,000	5,127,750	106,000,000	93,276,000	120,600,000	93,276,000	120,600,000	5.2	94.8	46.8	53.2
1887	5,093,984	105,302,000	5,093,984	105,302,000	96,189,000	124,366,000	96,189,000	124,366,000	5.0	95.0	45.9	54.1
1888	5.316,412	109,900,000	5,316,412	109,900,000	109,911,000	142,107.000	109,911,000	142,107,000	4.6	95.4	43.6	56.4
612 1889	5,746,950	118,800,000	5,746,950	118,800,000	125,830,000	162,690,000	125,830,000	162.690,000	4.4	95.6	42.2	57.8
1890	5,473,631	115,150,000	5,473,613	113,150,000	133,213.000	172,235,000	133,213,000	172,235,000	3.9	96.0	39.7	60.3
1891	5,830,107	120.519,000	5,830,107	120,519,000	144,426,000	186,733,000	144,426,000	186,733,000	4.0	96.1	39.2	60.8
1892	6,328,272	130,817,000	6,328,272	130,817,000	152,062,000	196,605,000	152,062,000	196,605,000	4.0	96.0	40.0	60.0
Total			397,191,823	8,204,303,000			7,522,507,716	9,726,072,000	5.0	95.0	45.8	54.2

During the period covered by this table the total production in the world of gold was 397,191,823 fine ounces; silver, 7,522,507,716 fine ounces, or a ratio of 18 to 1.

From the comments of the senior Senator from Missouri [Mr. VEST] I collate the following table of the relative properitions of gold and silver produced at stated periods and the value of silver:

	Value per ounce.
1833 to 1840, thirty-five times as much silver as gold	129 to 132
1841 to 1850, fifteen times as much silver as gold	129 to 131
1851 to 1855, five times as much silver as gold	132 to 135
1855 to 1860, four times as much silver as gold	134 to 136

The great argument of gold monometallists is that overproduction of silver since the passage of the Sherman law has produced its decline. During the year immediately preceding the panic the silver production of the United States was $74,000,000, while the production of gold was $33,000,000, the production of silver being only twice that of gold. May I ask why the price of silver did not fall when the production of silver was four, five, fifteen, and thirty-five times the production of gold.

NO DANGER OF A DELUGE OF SILVER, NOR ARE WE LIABLE TO BECOME THE DUMPING GROUND FOR THE FOREIGN COMMODITY.

All foreign silver is liable to be consumed at home as subsidiary coin, and none of it will be presented at the mints of the United States. At the present ratio between gold and silver, silver is more valuable abroad than it is here. On this point I will express my views in the words of the Hon. W. H. Standish, the present attorney-general of North Dakota, given in an article in the Arena of August last. He says:

THE DUMPING GROUND OF FOREIGN SILVER ARGUMENT ANSWERED.

We are told that unlimited coinage will cause the silver money of other countries to be melted down into bullion and sent here for free coinage and thereby cause our Government to lose several hundred millions of dollars.

The total silver money of the world is approximately $3,700,000,000. We have $500,000,000 of this, leaving $3,200,000,000 in other countries. This $3,200,000,000 is money that has been coined in those countries and by the laws of those countries has been made legal tender for the payment of all debts in them, public and private, and therefore has a debt-paying value equal to its face value, and will cost its face value in gold, as shown by our preceding remarks and a letter from our Secretary of the Mint that we have heretofore quoted.

The assumption then that it could be purchased in gold at what would be its value in bullion if it had not been coined and made a legal tender must be discarded, even as to the limited legal-tender money of the world.

This being the case, what profits would foreigners and speculators make in buying in the coined silver money of other countries to have it recoined by us? First, they would pay its face to get it; secondly, they would lose 3 per cent in weight, the coined dollar there being smaller than ours; thirdly, by reason of the use of coined money there since it was coined it has worn away not less than 3 per cent, which would be another loss in weight; fourthly, under a properly drawn mintage bill they would have to present to us pure bullion, such as we get in the bar from the mine. To do this they would have to extract the alloy from their bullion after it was melted down, to wit, the 10 per cent alloy that was put into it before coinage to enable it to be coined.

This extraction would probably be at least one-half of the cost of mintage, which would make 5 per cent additional before they had ever reached our mint, and our mint would charge 10 per cent of the bullion as its toll for recoinage, making 30 per cent of an outlay to buy in foreign silver money to have it recoined by us, or a loss to the foreigner or speculator who attempted it of $960,000,000. And what would these foreigners and speculators receive? This bullion, $240,000,000. And when they got them they would circulate them as money the same as we do now our silver notes, and if they prefer the coin they would present their certificates to the treasurer and get the silver dollars that had been recoined out of this silver foreign money at a loss of 30 per cent and in one case out of six they would get gold, as five-sixths of our coin would be silver and the balance gold, and our total gain for the recoinage, less expense of mintage, would produce $266,666,666.66 as the Government's profit in helping those foreigners to lose $960,000,000 in trying to swamp us with their silver, and the recoinage would leave the same volume of coined money in the world as now exists, less 6 per cent in loss in weight by existing money being worn and lighter coinage than ours.

We are not endangered, Mr. President, by a prospective deluge of silver from our American mines. From the report of the Acting Director of the Mint, Mr. R. E. Preston, I collate the production of silver in the United States from 1873 to 1892, inclusive:

1873	$35,750,000	1883	$46,200,000
1874	37,300,000	1884	48,800,000
1875	31,700,000	1885	51,600,000
1876	30,800,000	1886	51,000,000
1877	39,793,573	1887	53,357,000
1878	45,281,385	1888	59,195,000
1879	40,812,132	1889	64,646,000
1880	39,200,000	1890	70,465,000
1881	43,000,000	1891	75,416,500
1882	46,800,000	1892	74,989,900

Our product will be needed to furnish the currency necessary for a rapidly growing nation. Our population has increased from 40,000,000 in 1873 to 65,000,000, and the volume of business has increased a hundredfold. Our annual increase in population is a million a year. Nearly forty millions of our gold and silver is consumed in the arts, and this demand on the metals is growing at the rate of a million annually. It is thus seen that our output is not equal to the demand for an increase of currency, and will not be in the future unless some unforeseen discoveries of the precious metals are made. As to this, it is a well-known fact that every square mile of territory has been prospected, so that the ratio of production as compared with gold is liable to decrease, and the demand for silver advance instead of recede.

THE COST OF SILVER.

It has been asserted time and time again that we are being flooded with silver, the cost of production of which is not over 30 cents per ounce, and that the Government is being compelled to buy this at the exorbitant rate of from 77 cents to $1.29. These statements, Mr. President, show an utter ignorance of the whole process by which silver is obtained. I have before me the pamphlet of statistics as to the mining of silver in the Territory of Utah. Only a very few mines are of a class that can produce ore at less than the market price of to-day. From the table of mining claims it is ascertained that but 40,000 claims have been filed in the Territory of Utah since it was first discovered, and of these but 8,000 have ever produced ore, and one-quarter of these again have already been worked out. One would think, to hear Eastern men talk, that one has but to take a journey through the mountains and stumble upon a rich vein of silver to make his fortune. Little do they think of the hunger and privations undergone by prospectors, or of the energy and capital that must be employed to develop a mine after it has been discovered.

But this is not at all uncommon that after months and years of work it is discovered that the search is a fruitless one and the claim must be abandoned. It is my honest opinion that were prospecting, developing, mining, smelting, and shipping all taken into account the price will approach more nearly $4 per ounce than $1.29.

We have, Mr. President, coined only about $400,000,000 of silver in the one hundred years of our history, and no one has ever thought we were approaching a danger point until it was suggested by the financiers of Wall street. The people of the country, on the other hand, have been very grateful because a few millions have been added annually to our currency supply. France's example is a safe guide for other and greater nations to follow. The wisdom of her statesmen and the energy of her people are commended throughout the civilized world.

After the Franco-Prussian war she was compelled to pay an indemnity of $1,000,000,000 in addition to the debts incurred in carrying on the war. Her rebound has been without parallel, and to-day she has more gold and more silver in her vaults than any nation in Europe. If France with a population one-half as great as our own, with a territory which might be included within two or three of our States, with resources taxed to the utmost, can maintain in circulation between seven hundred and eight hundred millions of silver, is it to be supposed that the United States, with her 65,000,000 of enterprising people, a territory reaching from ocean to ocean, resources as yet but partially developed, and a Government more stable than France, supported by energetic and patriotic citizens, will not be able without even the suspicion of embarrassment to maintain a circulation of fifteen hundred millions of silver. The people upon whom the responsibility rests will grant no such supposition. Their manhood and their patriotism will not brook even the suspicion of insolvency or repudiation.

The Senator from New York a day or two since stated that business would again resume if this law were repealed; that the trouble in New York is largely want of confidence. Confidence by whom, or in what or in whom, may I ask? Have foreign nations questioned our integrity? No. Have the financiers of New York ever doubted that we would be able to float and maintain at a parity four hundred millions of silver? Never for a moment. Have the people lost confidence in themselves? Not at all.

Then, Mr. President, where is this want of confidence? It exists nowhere unless the people have lost confidence in the bankers and capitalists of our country. The unvarnished truth of the matter is that silver stands in the way of the money-lender, and it is this class that have raised the cry of suspicion against the white metal. But monometallists tell us that business men at least imagine that this purchase law is the cause of our depression, and that for this reason, if for no other, it should be repealed.

Mr. President, we are not here to prescribe for hysterical, imaginative patients, if in doing so we must rob the people of their best and most faithful currency. Let us give New York the bread-pill prescription and she will recover. Unless it can be shown to me that the Sherman law is the active cause of our commercial depression, I will not vote for its repeal. For I stand with the Senator from Ohio [Mr. SHERMAN] in saying that this much-abused law has mitigated the evils of two panics; and though not as good as free coinage of silver, it is yet a recognition of this metal as money by our mints, and is a source of prosperity to a large and growing section of our country.

There is no danger of a flood arising from any sudden cheapness of production, and we can therefore rely upon the same law which has governed the production of gold and silver from prehistoric times. When given an equal chance under the law there has been but little variation during centuries and centuries of the progress of civilization.

SILVER VARIES IN PRICE WITH COMMON COMMODITIES.

But, Mr. President, there are other facts and arguments bearing directly upon the stability of silver. I think it can be shown conclusively that during all these trying years from 1873 to the present, silver being the money of the people, has been the most accurate measure of their products. The facts show that the market price of wheat, cotton, and other commodities, allowing for minor causes of fluctuation, rise and fall directly with the rise and fall of silver.

The common phrase of newspaper parlance to-day is that silver has depreciated and that gold has remained the one steady, unswerving unit during all panicky situations. These statements we are prepared to contest, and affirm that the gold dollar is the dishonest dollar.

It arises from an ignorance of the first principles of economics. The great law of supply and demand alone is sufficient to convince any fair-minded man that by the destruction of one of the money metals of the world the one left, being scarcer, is bound to appreciate. I hold in my hand, Mr. President, three charts, marked D, E, and F, prepared by Mr. T. T. Baker, a civil engineer of ability in Butte, Mont., which I gladly incorporate in my remarks. This gentleman has evidently made a full study of the relation of the common products consumed by the people to our money standard.

[For charts see pages 44, 45 and 46.]

It is shown that the market prices of wheat have fallen from 131 in 1873, to 86 in 1885, 89 in 1887, 90 in 1889, 83 in 1890, 103 in 1892. Cotton ranges from 20 cents per pound in 1873, to 10 cents in 1885, 11 in 1889, and 8 in 1892.

The value of the silver dollar as measured by gold has dropped from 100 in 1873, to 60 cents in 1892, or taking 100 as the gold standard, silver, wheat, cotton, and twenty other leading commodities range from 70 down to 39.

In the mean time the value of the gold dollar as measured by silver has risen from 99 to 148.

From Chart E we learn that when silver is taken as the standard, upon the basis of 100, the leading commodities keep very close company. Starting at 95 in 1873 they reached their lowest point in 1879, which is but 75, and are found in 1892 at 89; while gold has steadily risen to 150.

It is claimed by gold monometallists that the depreciation in all lines of products has been caused by the improved facilities of production, but from Chart F we see that taking 100 as the gold standard and basis, steel rails, which are now produced with great facility, have fallen, but that butter and eggs, and other common articles of consumption, still produced in the old fashioned way, have kept a steady march downward for twenty years. These facts have all been taken from the Statistical Abstract for 1892, issued by the Bureau of Statistics under the direction of the Secretary of the Treasury.

United States.	1873	1874	1875	1876	1877	1878	1879	1880	1881	1882	1883	1884	1885	1886	1887	1888	1889	1890	1891	1892
Average Price of Wheat.	$1.31	1.43	1.12	1.24	1.17	1.34	1.07	1.25	1.11	1.19	1.13	1.07	.86	.87	.89	.85	.90	.83	.93	1.03
" " " Cotton.	$0.20+	.18-	.15+	.13-	.12-	.11+	.11-	.12-	.12+	.12-	.12-	.11-	.10+	.09+	.10+	.10+	.11-	.11+	.09-	.08-
Value of Silver Dollar as measured by Gold.	$1.004	.988	.964	.894	.929	.891	.868	.886	.881	.878	.858	.861	.823	.769	.758	.727	.724	.809	.764	.674
Value of Gold Dollar as measured by Silver.	$.996	1.012	1.037	1.118	1.076	1.122	1.152	1.128	1.135	1.139	1.165	1.161	1.214	1.300	1.319	1.375	1.381	1.236	1.309	1.484

As the production of Gold has fallen away its value has appreciated. Hence, prices measured by Gold have depreciated.

The twenty commodities represented below include Cotton, Corn, Wheat, Wheat-Flour, Mess Pork, Anthracite and Bituminous Coal, Butter, Eggs, etc., such as constitute the chief sources of America's wealth. The fall in price of these commodities has kept pace with the fall of Silver.

CHART "D".

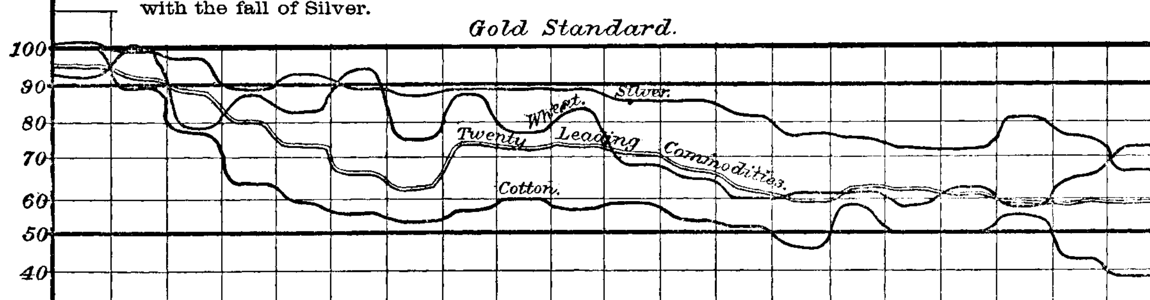
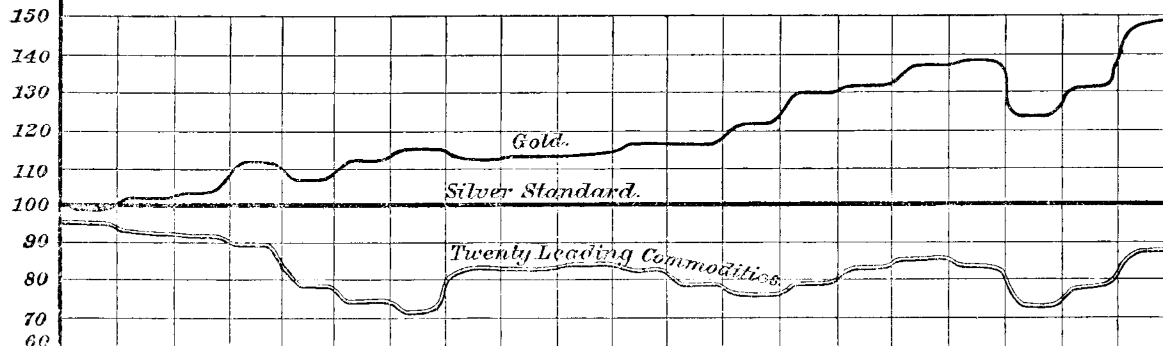


CHART "E".

Where Silver is regarded as the measure of value or constant quantity, these leading commodities show a much greater stability of price, but Gold shows a striking appreciation. The "dishonest dollar" is not the Silver Dollar, but is a \$1.50 Gold Dollar.



AVERAGE PRICE STEEL RAILS.	\$120.50	94.25	68.75	59.25	45.50	42.25	48.25	67.50	61.13	48.50	37.75	30.75	28.50	34.50	37.08	29.83	29.25	31.75	29.92	30.00
" " BUTTER.	\$0.21+	.25	.24-	.24-	.21-	.18	.74+	.17+	.20-	.13+	.19-	.18+	.17-	.16-	.16-	.18+	.17-	.14+	.15-	.76
" " EGGS.	\$0.27-	.22+	.26-	.28	.26-	.76-	.16-	.17-	.17+	.19+	.21-	.21+	.22-	.18+	.16+	16-	.14-	.15+	.18-	.18

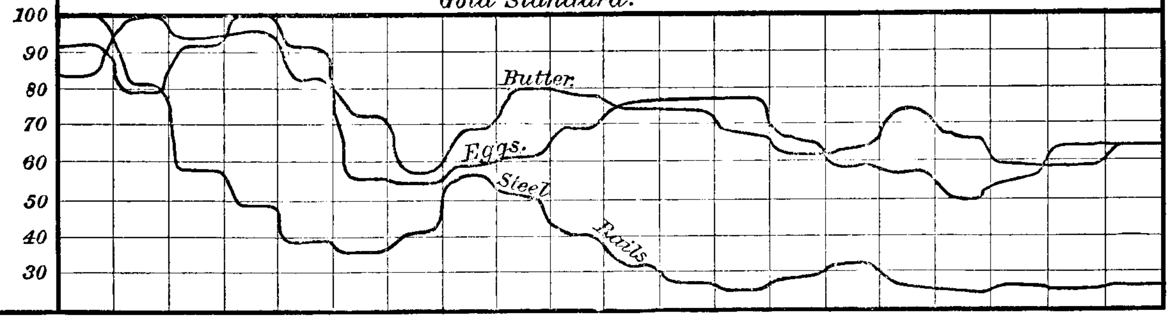
CHART "F."

The claim is made that the fall of prices is due to improved facilities of production.

There have been improved facilities of producing Steel Rails but not of Butter and Eggs, yet the latter articles have shared the general fall in price.

Prepared from data furnished by the "Statistical Abstract of the United States" for 1892, issued by the Bureau of Statistics, under the direction of the Secretary of the Treasury.

Gold Standard.



Silver, Mr. President, being the money of use in the ordinary transactions of life, still measures the common commodities, although demonetized since 1873. But when crowned with the monetary rights under the law it has measured on account of its stability not only commodities but gold itself amongst the nations of the earth for centuries.

Boeckh, in his Economy of Athens, says:

The value of gold is more variable than that of silver, which, therefore, may be considered as the standard of price for gold as well as for other commodities.

The gold of the Greeks, the Persians, and Macedonians was all measured by silver. Locke, in his work on Money, says:

I have spoken of silver coin alone, because that makes the money of account and measure of trade through the world.

But recent testimony upon this point confirms what I have just read. Mr. Robert Giffen, who is chief of the statistical department of the board of trade in England, and one of the strongest and most avowed champions of monometallism in that country, has made some very remarkable admissions in regard to the appreciation of gold in a pamphlet entitled "Recent Changes and Prices and Incomes Compared," published in London in 1888. He says:

If the test of prophecies be the event there was never surely a better forecast. The fall of prices in such a general way as to amount to what is known as a rise in the purchasing power of gold is generally, I might almost say universally, admitted.

Measured by any commodity, or group of commodities, usually taken as the measure for such a purpose, gold is undoubtedly possessed of more purchasing power than was the case fifteen or twenty years ago, and this high purchasing power has continued over a long enough period to allow for all minor oscillations.

These statements are borne out in his pamphlet by tables and facts.

I shall also, Mr. President, present some tables compiled by the eminent statistician, Mr. A. Sauerbeck. On the principle of the index number, 100 being the unit, he has rated 45 leading articles of common consumption. These range from 102 in 1874 to 68 in 1892.

Years.	Mr. Sauerbeck's index numbers for 45 leading commodities.	Years.	Mr. Sauerbeck's index numbers for 45 leading commodities.
1874	102	1884	76
1875	96	1885	72
1876	95	1886	69
1877	94	1887	68
1878	87	1888	70
1879	83	1889	72
1880	88	1890	72
1881	85	1891	72
1882	84	1892	68
1883	82		

The second table of Dr. Sauerbeck on the same principle indicates a striking contrast between the relative value of gold and silver between the years 1854 and 1892.

Years from 1873 back to 1854.	Yearly index numbers of silver.	Years from 1873 on to 1892.	Yearly index numbers of silver.
1873	97.4	1873	97.4
1872	99.2	1874	95.8
1871	99.7	1875	93.3
1870	99.6	1876	86.7
1869	99.6	1877	90.2
1868	99.6	1878	86.4
1867	99.7	1879	84.2
1866	100.5	1880	85.9
1865	100.3	1881	85.0
1864	100.9	1882	84.9
1863	101.1	1883	83.1
1862	100.9	1884	83.3
1861	99.9	1885	79.9
1860	101.4	1886	74.6
1859	102.0	1887	73.3
1858	101.0	1888	70.4
1857	101.5	1889	70.2
1856	101.0	1890	78.4
1855	100.7	1891	74.1
1854	101.1	1892	65.4

From this we learn the gold prices of silver in 1854 was 101.1 and 97.4 in 1873. Since which time there has been a steady declination to 65.4 in 1892.

The third table on the same principle rates the forty-five principal commodities and silver.

Years.	Mr. Sauerbeck's index numbers—		Years.	Mr. Sauerbeck's index numbers—	
	Of 45 principal commodities.	Of silver.		Of 45 principal commodities.	Of silver.
1874	102	95.8	1884	76	83.3
1875	96	93.3	1885	72	79.9
1876	95	86.7	1886	69	74.6
1877	94	90.2	1887	68	73.3
1878	87	86.4	1888	70	70.4
1879	83	84.2	1889	72	70.2
1880	88	85.9	1890	72	78.4
1881	85	85.0	1891	72	74.1
1882	84	84.9	1892	68	65.4
1883	82	83.1			

These London statistics corroborate the facts that have been given time and time again by bimetallists in America that the principal commodities of common consumption are closely allied with silver and rise and fall with it.

Let me quote also some statements made by the Right Hon. Leonard Courtney, member of Parliament, in the Nineteenth Century for April last.

This gentleman was a member of the gold and silver commission, signed the favorable report, but feels that he can not acquiesce in all the statements made. Here are some extracts:

Is it true that gold is thus a stable standard? I was one of the six members of the gold and silver commission who could not see their way to recommend bimetallism, and reported:

"When we look at the character and times of the fall in the prices of commodities, * * * we think the sounder view is that the greater part of the fall has resulted from causes touching the commodities rather than from an appreciation [or increase in value] of the standard."

In the same paragraph we had said:

"We are far from denying that there may have been, and probably has been, some appreciation of gold, though we held it impossible to determine its extent."

Let me make a confession. I hesitated a little about this paragraph. I thought there was, perhaps, more in the suggestion of an appreciation of gold than my colleagues believed; but while I thus doubted I did not dissent.

I am now satisfied that there has been an appreciation of gold greater than I suspected when I signed the report, and I should not be able to concur in the same paragraph again.

We have been passing through a period of appreciation of gold, and no one can tell how long it will last. This is a serious matter. * * * The pressure of all debts, private and public, has increased.

The situation is serious. It is a dream to suppose that gold is stable in value. It is no more stable than silver. It has undergone a considerable appreciation in recent years, and industry and commerce have been more hampered by its movement than they would have been had silver been our standard.

Every step taken towards the further demonetization of silver must tend to the enhancement of the value of gold.

It is true that much inconvenience is involved in the use of gold as the standard in some countries, and of silver as the standard in others, with no link to check their divergent variations; but the advantage of having the same monetary basis throughout the world would be counterbalanced if we made gold that universal basis and tied all the fortunes of the nations to it.

Five years ago I joined with my friends in deprecating any attempt to establish an international agreement for the free coinage of both gold and silver as standard money. I have advanced with further experience and reflection to the belief that such an agreement is to be desired.

In 1867 Mr. Ernest Seyd, a far-sighted and clear-headed financier, in discussing this question, which was then exciting considerable interest, expressed himself very freely on the evils that would probably fall on the world in an attempt to discard silver as a full legal-tender money metal. He said that—

Throughout the world a fall in prices would take place, injurious alike to the owners of solid property and to the laboring classes, and advantageous only, and unjustifiably so, to the holders of state debts and other contracts of that kind.

All these statements but corroborate the statement made by the London Economist, Mr. Gladstone, and others. The Economist for 1883 says:

England being the chief creditor nation of the world, it is to her interest to keep the volume of money as small as possible in countries from which debts are due to her citizens.

England, Mr. President, has over one thousand millions of money loaned abroad. It is estimated that the United States pays two hundred millions to Great Britain annually, and it requires but a schoolboy to discover that it is a great advantage to England when, by raising the standard, prices are lowered in America. The war has reached the point of cold-blooded self-preservation or selfish interest. It is high time to ask whether we shall be willing to follow the dictation of England's financiers. We have already listened, to our sorrow. We stand to-day surrounded by financial panic and social unrest, with starvation threatening millions of laborers. Mr. Gladstone, a short time since in the British Parliament, said:

What is the use? What do we want with a bimetallic convention? I am afraid to undertake to state what the amount is, but a very large amount of money is due to people who live within the United Kingdom from people who live without the United Kingdom. I should estimate it at two billions of sterling—ten thousand millions of American dollars. I admire the philanthropy of gentlemen who would make a gift to our debtors of that amount, but I do not see what cause we would have to congratulate ourselves, though I may see some reason why the rest of the world should congratulate itself.

This is the encouragement, Mr. President, we get from England.

No international agreement will ever receive her consent. I think I have shown clearly the English policy and where English interests lie. And the opinions of Mr. Gladstone are shared by other English statesmen as fair-minded as he. Such confessions are cold blooded and not born of justice or charity, and are prompted by a worse spirit than self-preservation. It is that which looks upon foreign nations as so many fields for plunder. England has no love for the United States, and in her failure to coerce us in 1776 she did not yield her purpose to bring us into subjection to English will. To be conquered and made tributary in war is merciful as compared to a monetary subjection.

According to Hugh McCulloch, once Secretary of the Treasury, Europe held, in 1868, $850,000,000 of American securities which called for interest in gold. He further states, "We are even now increasing our debt to Europe at the rate of $60,000,000 to $70,000,000 in interest-bearing bonds," and "of the $1,300,000,000 of the gold and silver products of California and the Territories produced since 1848, we have exported $1,100,000,000."

Our obligations since then, Mr. President, including railroad bonds, have increased, according to Poor's Manual, to about $4,000,000,000. This at 5 per cent interest would make an annual tribute of $200,000,000. This indicates the financial dependence, if not slavery to which the people of our country are fast drifting. England has a limited territory, there being but land enough for a seat of government, but she has outlying colonies in all parts of the globe, and is marching steadily towards possession of the islands of the seas.

But these are largely provinces for plunder. She juggles with provincial monetary standards as the Hindoo does with his sword, and all to swell the stream of gold that flows into the coffers of the mother country.

A strong speech was lately delivered in the English Parliament by Hon. Henry Chaplin which was corroborated by the Parsee member from India, showing the disaster caused to India by the closing of the mints at Bombay and Calcutta to the free coinage of silver. I quote an extract of the speech from a London dispatch of August 8:

PLUNDERED BY THE ENGLISH—STARTLING STATEMENTS ON SILVER IN THE HOUSE OF COMMONS—DONE TO HIDE A DEFICIT—MEMBER CHAPLIN CLAIMS THAT THE GOVERNMENT TAMPERED WITH THE CURRENCY OF INDIA TO PREVENT A BIG DIFFERENCE IN THE EXPENDITURES AND THE INCOME—DESCRIBED AS A FLAGRANT THEFT FROM THE NATIVES—SOCIALISTS IN SESSION—OTHER NEWS.

LONDON, *August 8.*

In the House of Commons to-day Mr. Gladstone announced that an autumn session of Parliament would be held. The prime minister's words were greeted with cheers by the members of the Government party. The home-rule bill was then taken up and some discussion was indulged in, after which Mr. Chaplin made a motion that the House go into committee to discuss the financial situation in India

He charged the Government with persistently obstructing the discussion of this question and said that the changing of the Indian currency system before allowing Parliament to express an opinion on the matter was a subject of urgent public importance. If the House had waited for the Indian budget it would have been some time in October before it would have got a chance to expose the troubles arising from the Government's indiscreet action. He could not, he added, blame the Indian government, which had found itself confronted with bankruptcy on one hand or the closing of the mints to free coinage on the other.

The latter policy was full of danger to the commercial interests of the world. This policy had been practically forced upon the Indian government by the attitude of the Imperial Government.

The government of India had escaped a deficit by tampering with the currency and artificially raising the value of the rupee. The effect of this action had been to lower the *pro tanto* value of everything else.

The government had virtually mulcted the natives of India by methods which it had hoped would not be discovered. The closing of the Indian mints to the free coinage of silver had necessarily led to a fall in the value of that metal within a month as the world had never before known. There had been a tremendous wrong done to the people of India, who held enormous quantities of uncoined metal.

By a single stroke the government had depreciated by 15 per cent the value of the silver held by the population of India. A more flagrant act of public plunder has never been perpetrated by a civilized government. The result had been a convulsed financial situation from China to Peru. If the repeal by the American Congress of the Sherman act should become inevitable it would be partly due to the error that had been committed in India. A further fall in the price of silver must follow the repeal of the Sherman act.

Frequently during his remarks Mr. Chaplin was interrupted by cries of "Hear!" "Hear!"

Mr. Chaplin, in concluding, demanded to know whether the government, before taking this action in India, had held any communication with the United States Government, and whether the government, with their eyes now opened, contemplated persisting in the great wrong.

The loss to holders of silver securities, he said, was already nigh £200,000,000, for which the government must be held responsible. Their action could not fail to appreciate gold throughout the world, while increasing commercial difficulties everywhere.

If such be England's policy towards her colonies, can we as a rival nation expect fairer treatment? Why should we voluntarily place ourselves in the condition where India is compelled to be? The United States is looked upon by Europe as a nation of inexperienced financiers, who are willing to place themselves under her tutelage. She will consent to no financial compromise by which we shall be placed upon an equal footing with her in the monetary world. To be sure there is a growing sentiment in favor of bimetallism in Great Britain. All honor to men like Balfour and Frewen, Archbishop Walsh, and others. But between them and the goal of their hopes is a majority of the Commons, the House of Lords, and the crowned heads of England and Europe. These stand as an insurmountable barrier in the way, and it is useless to fritter away time and money in sending commissions abroad. We might as well face the question of

INDEPENDENT ACTION,

and trim our commercial sails accordingly. We are powerful enough. Let us lead the nations of the earth in the struggle for bimetallism, which must be the future policy of Europe as well as America.

What though our gold is demanded by and should go to Europe? What is there to be feared in a silver basis? We can get on without gold, and our people will be perfectly willing to transact their business with silver.

But some one complains about the difficulty in settling trade balances and interest obligations with Europe. In this, Mr. President, there will not be the slightest difficulty. There has never yet been a trade balance settled with money. Gold and silver may leave our shores as money, but it lands on the other side as a commodity. It is weighed in the scales, as are our cereals.

We are rich, not only in gold and silver, but in corn and cotton and wheat, and cattle on a thousand hills. In settling our balances we are prepared to give whatever England calls for, and are prepared in turn to demand from her whatever we ask. Let us not be frightened by the bugaboo of international trade. England has traded and trades now with nations using all kinds of money. It will not frighten her to come in contact with us as a silver nation. It is for our people to say what shall be our measuring unit, as our labor and our interests are in jeopardy. We should not destroy a large section of our country at the behest of English financiers; and, if necessary for self-protection, we can proclaim the Monroe doctrine, "America for Americans." Our interests lie southward, not eastward; not in courting English favor, but in

A PAN-AMERICAN ALLIANCE.

The United States, Mr. President, in returning to bimetallism, which marked the day of her prosperity, will not recede, as Senators have said, to the level of silver-standard countries. The condition of India, China, and certain South American nations can be satisfactorily explained on other grounds than monetary standards. To the south of us are possibilities of empires. Mexico has 11,000,0000, Central America 3,000,000, and South America 35,000,000 people, all transacting business upon a silver standard, and their commerce with us is done largely by way of England. By coalition with the United States, mutual prosperity would follow in all commercial lines, and the two sister continents, standing together, would rival and surpass the Old World in the progress of civilization.

Let me give from Mulhall's Statistics some facts as to the amount of import and export trade of Central and South American States. These are based on the reports for 1889:

Countries.	Imports.	Exports.	Total.
Brazil	$19,700,000	$21,200,000	$40,900,000
Argentine	14,300,000	12,500,000	26,800,000
Chile	6,600,000	7,500,000	14,100,000
Uruguay	6,300,000	6,200,000	12,500,000
Venezuela	2,500,000	3,300,000	5,800,000
Colombia	2,800,000	1,600,000	4,400,000
Ecuador	2,200,000	2,000,000	4,200,000
Peru	1,800,000	1,300,000	3,100,000
Bolivia	900,000	1,500,000	2,400,000
Paraguay	300,000	200,000	500,000
Total	57,200,000	57,300,000	114,500,000
Mexico	8,100,000	12,500,000	20,600,000
Central America	3,000,000	3,500,000	6,500,000

The production of gold and silver in these States for 1889, 1890, and 1891 was as follows:

	1889.		1890.		1891.	
	Gold.	Silver.	Gold.	Silver.	Gold.	Silver.
Brazil	$445,300	----------	$445,300	----------	$438,000	----------
Argentine	82,000	$620,000	82,000	$610,000	82,000	$620,000
Chile	1,436,600	5,140,800	1,436,600	5,140,800	1,436,600	3,000,000
Uruguay	70,000	----------	93,500	----------	93,500	----------
Venezuela	1,838,000	----------	1,670,000	----------	1,000,000	----------
Colombia	3,430,000	612,000	3,600,000	830,000	3,472,000	1,298,000
Peru	93,000	2,850,000	69,000	2,734,300	75,000	3,112,000
Bolivia	59,800	10,951,300	67,000	12,514,200	67,000	15,488,000
Mexico	700,000	47,544,000	767,000	50,356,000	1,000,000	53,000,000
Central America	150,000	2,000,000	150,000	2,000,000	150,000	2,000,000

Our commerce with these countries is growing now, and with proper encouragement the volume of business done could be largely increased. The business done by the United States in 1892 with these Republics is shown, by the Government Statistical Abstract for 1892, to be as follows:

Countries.	Exports to United States.	Imports from United States.
Brazil	$14,240,009	$118,633,604
Argentine	2,927,488	5,343,749
Chile	3,544,709	3,487,159
Uruguay	939,030	2,480,596
Venezuela	4,049,155	10,325,338
Colombia	3,134,152	4,116,888
Ecuador	810,070	809,831
Peru	1,007,035	591,300
Bolivia	17,036	----------
Mexico	14,293,999	28,107,525
Central America	2,762,531	6,409,015

Let me quote here, Mr. President, as touching this subject, an interview with Señor Don Alvarez, a merchant of the City of Mexico, and published in the Denver Road:

[From Our Republic, Oakland, Cal.]

CITIZENS READ THIS—WHAT A PROMINENT MEXICAN SAYS OF OUR TRADE POSSIBILITIES UNDER A FREE-SILVER POLICY—VAST COMMERCIAL RELATIONS WITH MEXICO AND SOUTH AMERICA—BRAZIL, BOLIVIA, ARGENTINE REPUBLIC, CHILE, URUGUAY, AND PARAGUAY WOULD ALL TRADE WITH THIS COUNTRY INSTEAD OF GOING TO GREAT BRITAIN.

In order to reach all the business men of Oakland and San Francisco we reprint the following article:

[Denver (Colo.) Road.]

Señor Don Alvarez, a gentleman doing business in the City of Mexico, called on us this week.

He conducts a large mercantile business in that city and is visiting America for the first time.

"You have a grand country," said he. "I have been in New York, Boston, and other cities and visited the World's Fair at Chicago. I never dreamed your country contained such a progressive, inventive, and pushing people. I wish I could do business with your people but I can not. I buy your cotton goods through London and Liverpool brokers and pay them in silver bullion which they carry to India to coin into rupees that pass in India trade at par with gold. By this means they do by my country as they are doing by this beautiful nation of yours, namely, ruining our farming industries. By the way, I cut this article out of one of your Denver papers this morning, and I wish you would read it."

After looking over the numerous other newspaper clippings, he at last found what he wanted us to read. It read as follows:

"New York, *July 20*.

"The Evening Post says: 'The effect of the proposed closing of the large Amoskeag cotton plant in Manchester, N. H., during the month of August, it is asserted, has been generally overestimated. This, at all events, is the view of many of the leading cotton merchants here. It is regarded as probable that many other mills in New England, such as the Manchester mills, the Pembroke, Webster, and China mills, and the York Manufacturing Company of Saco, will shut down, but, nevertheless, the situation is not considered an alarming one by the New York merchants.

"'The closing of the Amoskeag mills will undoubtedly be followed by the closing of other large manufacturing concerns in New England and perhaps in New York. It will be done as a precautionary measure to prevent a large accumulation of goods during the autumn. There is already a large accumulation of ginghams, which will be forced down in price if the production continues at the present rate. A large proportion of these are goods for the spring trade. In view of the present financial disasters, it is hardly to be expected that the country will have recovered from the drain by spring, so that trade will then probably be anything but brisk. In view of a smaller demand, therefore, it is but natural that the mills should diminish their output accordingly. This is best done by stopping work altogether and thus saving the heavy expense of keeping up the power, besides a whole month's wages. A month's wages for the Amoskeag operatives, I understand, amounts to as much as $225,000. This is the best time of the year for such a measure, for most of the operatives wish to take a vacation during the summer or can at least in winter when their living expenses are so much higher. If the mills had not decided to close now, they would probably have had to do so in December, when it would have been a very serious matter for the operatives.'"

After we had read it we handed it to him and remarked: "It's sad, isn't it?"

"Yes," said he, "but it is sadder still when one contemplates how utterly foolish it is to permit such a condition."

"How would you remedy it?" we asked.

"Easy enough!" he exclaimed, as he lit a cigarette and settled himself down in our big armchair. "Now listen. I buy thousands of yards of Amoskeag cotton in Europe every year, as all Mexican merchants do. Now, suppose your manufacturers would come to our Mexican merchants and say 'Here,' we have passed a free-coinage bill and can now allow you $1.29 per ounce for our silver against 70 cents per ounce allowed you by England.' How long would your Amoskeag mills be without orders under such a condition? Why, in no time they would be submerged with orders, and we would use Amoskeag and other American made cotton instead of that grown in India and manufactured in England. In fact, America would capture our entire trade, not only in cotton goods but in every other line of manufactured goods. Our people would exchange all their spare silver for American manufactured goods, if your people would declare free coinage for the metal it so abundantly produces, that would enable you to allow us $1.29 for our silver. Not a dollar of our silver would go to England at 70 cents an ounce, or any other price under $1.29 per ounce. Such a rise in silver Mexico yearns for. Our agricultural industries would immediately take a step forward and thus relieve the distress that now exists among our peon system. Speaking of peons, your country will have plenty of them in another ten years if during Cleveland's extraordinary session gold is made the sole basis of American prices and values. I can't conceive what your people are thinking about. To the south of my country lies a whole continent of silver nations eager to break away from the slavery of the Rothschilds-Bank of England combine. Your nation could capture the entire trade of Brazil, Bolivia, Argentine Republic, Chile, Uraguay, Paraguay, Peru, Equador, Colombia, Nicaragua, and the Lord only knows where you could reach—why, you could reach into China, India, and Australia by allowing $1.29 for silver."

"Yes," we interrupted, "but that would bring a flood of silver to this country, and we would become the dumping ground for all the silver of the world."

"Ha! ha!! ha!!!" laughed the señor, "suppose you should become the dumping ground for silver, wouldn't it be a blessing compared with the present condition that now faces you? If we dump our silver upon you we would not do so just for the fun of the thing; we would buy your manufactured goods, and when buying them we would stimulate your manufacturing interests until the time would come when you couldn't find people enough to work in your mills. Would that be a sad condition?"

"No, but England would withdraw her gold, and——"

"Oh, bosh!" interrupted the quick-witted Mexican. "Suppose she did; what figure would that cut?"

"Our bonded debts," we ventured.

"Were made payable in coin," the señor added, "and silver was coin when the debts were made, besides by that time England would allow $1.29 per ounce for silver just as quickly as Americans, for she would be fighting for her life to retain her commercial supremacy, and the only way she could hold her trade would be to either allow $1.29 per ounce for silver, the same as America, or order gunboats out and destroy the United States. Should she try the latter scheme, she would find the entire western hemisphere helping the United States, besides the nations like France and Russia and the entire Latin Union would be glad to dip into the row and help to make it hot for the Rothschild family of gold owners. I tell you, my friend, the United States has it in her hands to obliterate the gold corner, and nothing can defeat you' but the treachery of your President and the Shylock-owned tools of Wall street, who are backing him. I glory in your spunk when you hoist your black flag and yell "Free coinage or a free fight. Keep it up, and if the New England States succeed in killing the great cotton States of the South and your wheat-growing States of the Northwest and Pacific slope, and your mining States, let them do it. Then it will become your duty to boycott the Amoskeag mill and all other mills—usury mills and all, and begin to throw your trade elsewhere—among your own kind of people. By and by the grand Pan-American idea of your late lamented Blaine will begin to become clear to you, and when that day comes you silver men will find plenty of friends below the Rio Grande River willing to ride bridle deep in blood with the devil, your Government, or anybody else, in order to destroy the condition of human slavery the Jew gold-metal owners have built up through their control of the monetary system."

Mr. PALMER. I did not hear the name of that gentleman.

Mr. KYLE. Senor Alvarez, a merchant of Mexico. I have read a published interview with him.

Mr. PALMER. He invites us to a Mexican entertainment.

Mr. KYLE. No; a Pan-American entertainment. This, Mr. President, is the extended hand of the South. Let us grasp it and together let us help lift the burdens from the backs of our farmers and laboring men. This class in the United States, in Mexico, in Central America, and in South America are all prostrate.

In the Arena of recent date were two excellent papers written by two of our brightest Americans upon the subject, Are We a Prosperous People?

I commend these to the consideration of all unbelievers. It is a timely and pertinent question to be discussed. In my speech last year I dwelt at some length on the centralization of wealth and the slavery of the poor. I wish I might be able to impress upon this body that the struggle now going on is not between a few silver States and the rest of mankind.

AGRICULTURAL STATES ARE ALSO INTERESTED.

It is not the silver States alone that are opposing this measure for the repeal of the Sherman law. I live in an agricultural State at the western border of the Mississippi Valley. We produce a little silver, to be sure, but not enough to entitle us to recognition as a silver State. I shall cast my vote against repeal because honestly convinced that the depression of agricultural interests for twenty years has been caused by the crime or blunder of demonetization of silver in 1873, and that the repeal of the present silver-purchase clause of the Sherman law will further enhance the value of the gold dollar and cheapen all commodities measured thereby.

It is the plain, honest people of our Government, Mr. President, whose clamor is now heard against repeal. The press never omit to say that "The people demand repeal." As a gentleman of my acquaintance used to say, "That depends upon whether it is true or not." All depends, Mr. President, upon who are the people. If they mean the financial 400 in all the cities of the Union, then it is true. If they mean the great mass of the people who are shut out of this æsthetic organization then it is not true. I am fully convinced that more than three-fourths of the people are opposed to the repeal of this law. They are the men, Mr. President, whose sweat and life blood have built the Republic, and whose sacrifice now sustains it. They are the class who built Rome. That empire fell when they were crushed. We to-day are following in her footsteps, and fast becoming a nation of millionaires and paupers.

Ward McAllister, the society leader of the 400 in New York, says in his book, Society as I Have Found It, page 349:

> Up to this time for one to be worth a million of dollars was to be rated as a man of fortune, but now bygones must be bygones. New York's ideas as to values, when fortunes were named, leaped up boldly to ten millions, fifty millions, one hundred millions, and the necessities and luxuries followed suit.

From Mr. Powderly, of the Knights of Labor, I learn that nearly a million workmen in the United States are out of employment, with many of them tramping for work and begging for bread. This does not include the families of these men or the large number of workmen who do not report to labor organizations.

In New York could be heard at the same time the gaiety and laughter of guests at the board of the multi-millionaires, and without upon the streets the groans and cries and threats and curses of thousands engaged in bread riots. While fashion's leaders are engaged in days of shopping, selecting garments of purple and fine linen, worth thousands and tens of thousands of dollars, in the streets can be seen multitudes begging for castaway garments or rags to cover their gaunt forms.

But these, Mr. President, are city laborers. I may turn with you to the farmers of the far West. I have visited them at their homes. These are abiding places, not homes, unless in the sense that they shelter those whom they love. They are board shanties, dugouts, or sod shacks, with dirt floors, dirt or board walls, and no ceilings.

These cheerless structures stand in the midst of treeless, barren tracts of land, but often house a family who have known comfort and culture, but who now find themselves amongst those struggling to gain a livelihood in the West. They labor from early morn until late at night, and are rewarded by a small crop of wheat worth 35 to 45 cents in the market. To make ends meet farming utensils, stock, and often the place, is mortgaged—the interest being exorbitant. They live on the plainest food and often are not able to obtain sufficient clothing. Life to them is a dark picture, and the future is not full of promise.

Toward this same condition the farmers of the country as a class are drifting, until in some districts already they are not far removed from the condition of the tenant farmer of Ireland. Are these laboring men of our cities and these farmers people, Mr. President, or are they not counted because they are poor and in the aggregate represent but little wealth? A large body of noble-hearted, manly Colorado miners came to the Mississippi Valley the past summer to hunt work in the harvest fields. They were frequently arrested in our cities and thrown into prison, or compelled to wear a ball and chain on the public streets because, forsooth, they could not satisfy the "vagrant law" by showing some money in their pockets. Will one hundred of these manly but unfortunate fellows weigh in the balance with one hundred bankers of New York worth $100,000,000? Or are the poor to be lumped off by the bunch?

Mr. Ward McAllister, of New York fame, probably would not deign to count the men of whom I speak. In his book, page 50, he thus speaks of his humble though well-to-do fellow-citizens who have money enough to travel abroad:

Though carrying letters to our American minister, then resident at Rome, I gave his legation a wide berth, as I had heard that our distinguished representative was in the habit of inviting Italians to meet Italians and Americans to meet only Americans at his house. When asked his reason for this, he replied: "I have the greatest admiration for my countrymen; they are enterprising, money-getting, in fact, a wonderful nation, but there is not a gentleman among them."

Ward McAllister, Mr. President, and his class want the Sherman law repealed. The poor of whom I speak do not wish silver destroyed and an additional burden placed upon their backs. They can not come here and urge their rights as do the bankers, for they have not the funds. They can not purchase prominent daily papers all over the continent to urge their wishes. They can only petition, in their modest way, their representatives to be true to their trust.

WHY FARMERS WISH BIMETALLISM.

These men of whom I speak, together with our more well-to-do business men of small capital, represent the debtor class of our nation who pay tribute to New York and Europe. The sum total of their indebtedness is the story told by our last census report, and represents the total of the contracts which will be affected by a change of the monetary standard.

Many a mortgage representing $1,000, or 1,000 days of toil, by a change of standard and the appreciation of gold will have to be settled by 1,500 days of toil, an equivalent to $1,500 in money. This is the question that has confronted them since 1873, when silver was destroyed. The honest economists of monometallism admit this, but say that for the good of the country they must stand it.

The public debt, according to the Government Statistical Abstract for 1892, is $841,526,463.60, which is large enough, but still does not include our private indebtedness, which is astounding. From the statement of Mr. Frederic Waite, printed as Miscellaneous Document No. 25, Fifty-third Congress, I quote the following:

The most astonishing increase of all, however, is in the real-estate mortgage indebtedness, as disclosed by the investigations of the Eleventh Census. Let us remember that this is largely the debt of the hardest working and the poorest paid of all our American citizens, namely, the farmers and the laborers who are trying to obtain a home of their own by honest toil. In the twenty-one States for which the mortgage indebtedness has been tabulated the aggregate amount in force at the close of 1889 was $4,547,000,000, with the great States of Ohio, Texas, and California and whole groups of lesser States yet ot be heard from.

The grand aggregate will be no less than 6,300,000,000. The aggregate in 1880 was only about 2,500,000,000. Last year, after turning the scale at 8,000,000,000 the mortgage indebtedness continued its upward flight, not being contented with an increase of 220 per cent, or nearly four times the increase in the true value of real estate.

In a word, the total net private indebtedness of the American people equaled, in 1880, but $6,750,000,000. Last September it amounted to $19,700,000,000, an increase of $13,000,000,000 in the short period of twelve year.
These mute figures tell the tale.

It well becomes the Senate to proceed slowly, Mr. President, for the question of debt cuts the largest figure in this discussion. I can not forbear to quote a few lines found on page 168, volume 2, of Doubleday's Life of Sir Robert Peel, showing the justice of Portugal in the contraction of her currency. It is a lesson in morals to progressive America:

It is not easy to believe that the bill of 1819 was brought in and passed in utter ignorance of its real consequences. The Portuguese Government has never been deemed a very enlightened one, and yet a measure of the same kind was about this time adopted by it and carried through on equitable principles, and without material difficulty. The minister found it prudent by withdrawing a portion of paper money to enhance the value of Portugal currency 20 per cent. He did so; but at the same time, knowing what he did, he made a commensurate reduction upon all debts, public and private, so as to adjust the payments to a higher standard; and the fairness of this was so manifest, and prices so rapidly adjusted themselves under the enhanced currency that few murmured under the measure, and no one was appreciably injured by it. The Portuguese, luckily for themselves, had no Ricardo in power or it might have been otherwise.

Mr. President, I will agree to vote to contract our currency, as in the bill before us, provided the public and private debts and taxes of our people are scaled in like proportion.

The question before us is whether the tribute to the money centers of the United States and to England shall be increased. According to Mulhall's Statistics, the public debt of the world was over $30,800,000,000, or by a private statistician it is given by countries as follows:

The national debts of the world in 1889 were as follows:

Austria-Hungary	$2,643,021,000
Belgium	512,000,000
Denmark	50,467,000
France	4,982,840,000
Germany (entire)	2,695,255,000
England (and dependencies)	5,695,657,000
Greece	132,625,000
Italy	2,250,000,000
Montenegro	1,000,000
Netherlands	545,000,000
Portugal	593,670,000
Roumania	176,000,000
Russia (all)	4,869,768,000
Servia	50,655,000
Spain	1,986,650,000
Sweden	58,000,000
Norway	20,860,000
Switzerland	65,000,000
Turkey	878,590,000
Argentine	148,000,000
Bolivia	19,000,000
Brazil	600,560,000
Canada	273,000,000
Chile	92,860,000
Colombia	15,000,000
Mexico	112,000,000
Peru	342,624,000
United States	1,462,800,000
Uruguay	79,108,000
Venezuela	63,780,000
Egypt	732,000,000
All other countries (about)	3,500,000,000
Total	35,654,779,000

This is loaned by the great money powers of Europe, which have made the world subservient to their will. The gold and silver of the world is estimated by report of the Treasury Department of August 16, 1893, to be: Gold $3,582,605,000, silver $4,042,700,000, or a total of $7,625,305,000. By the striking down of silver has not our burden nearly doubled during the past 20 years?

The civilized nations are now hopelessly in debt. Continued exactions by the money power will end in revolution.

The mortgage indebtedness of our own agricultural States helps to swell this vast sum. Shall we of these States by our votes add longer hours and years to the labors of our constituents? The mortgage debts of these States is: Nebraska, $132,902,322; Minnesota, $197,745,989; Illinois, $384,299,150; Iowa, $199,774,171; Kansas, $243,146,826; Indiana, $116,730,643; Missouri, $214,609,772.

This debt represents more labor now than 20 years ago, and will represent still more if gold continues to appreciate. The Statistical Abstract for 1892 gives the wheat raised in the several States as follows:

States.	Bushels.	Worth.	States.	Bushels.	Worth.
Nebraska	15,670,000	$7,834,775	Indiana	39,885,000	$25,526,651
Minnesota	41,210,000	25,138,382	Missouri	24,834,000	14,403,474
Illinois	28,370,000	17,873,247	Both Dakotas	66,765,000	34,400,311
Iowa	7,257,000	4,354,335			
Kansas	70,831,000	36,831,911	Total		166,363,086

This table tells the tale of hardship in the Mississippi Valley. From the figures given the market price for wheat was but little over 50 cents per bushel. The crop of 1893 will be sold at 15 to 20 cents less per bushel.

This, Mr. President, is in consequence of the demonetization of silver upon the part of the United States and the increased advantages given to the British colonies or to India in the Liverpool market.

A year ago, in my speech on the silver question, I enlarged upon the results to the price of wheat in the Liverpool market and the advantage given to the Indian product by the demonetization of silver in 1873. In closing, I gave the following syllogism:

1. Our prices for cotton and wheat are regulated largely by the European market.
2. East India and the United States are competitors for that market.
3. Considering quality of grain and price of freight, other things being equal, the market is ours.
4. If Asiatic bills of exchange, however, fall below par, the East Indian has the advantage of us.
5. Demonetization of silver in the United States has furnished cheap silver bullion and hence lowered Asiatic exchange.
6. Free coinage of silver would bring it to a par with gold, and also raise Asiatic exchange to par.
7. Therefore, free coinage of silver restores to our farmers the European market, with no unjust competition from Asiatic silver nations.

I see no reason now to change a word of the argument, and the distressing effects to the American farmer are felt more this year than last. I can readily understand, Mr. President, how representatives from Massachusetts or New York can vote for repeal. Their product is coupons. But how can the Senators from Nebraska, or Minnesota, or Illinois, or Indiana, or Texas vote to further appreciate gold and lower the price of their home commodities and saddle additional burdens upon their constituents?

Some of the best thinkers in England to-day, Mr. President, are waking up to the enormity of this evil. The cruelty of landlords is not the only trouble with the English and Irish farmer. Let me quote the words of Mr. Robert Giffen, of London, from his essay, Recent Changes in Prices and Incomes Compared.

It is obvious—

He says—

beyond all question, that these effects may be important. * * * The weight of all permanent burdens is increased as compared with what would have been the case if there had been no appreciation.

People in paying annuities, or old debts, have to give sovereigns which each represent a greater quantity of commodities, a greater quantity of the results of human energy, than it would have represented if there had been no appreciation. * * *

This man, remember, Mr. President, is a gold monometallist.

The debtors pay more than they would otherwise pay, and the creditors receive more, * * * Appreciation—

That is, in other words, an increase in the value, or purchasing power of the standard coin—

is a most serious matter to those who have debts to pay. I am—

He said—

bound to say that all the evidence seems to me to point to a continuance of the appreciation. * * * It is impossible to suppose that the movement (for the adoption of a gold standard of currency) will not extend to other countries. * * * All these facts point to a continued pressure on gold. * * * The better probability seems to be that the increase of the purchasing power of gold will continue from the present time.

Archbishop Walsh, of Dublin, Ireland, says in his pamphlet, Bimetallism and Monometallism, what they are and how they bear upon the Irish land question:

1. Gold, the one standard of value in the monetary system of Great Britain and Ireland, has of recent years "appreciated;" that is to say, become enhanced in value.

2. The "appreciation," or increase in value of gold, has already progressed to a notable degree, and is still in progress, at probably an ever-increasing rate.

3. Every increase of the value of gold—so long as gold remains, as at present, our single standard of value, free from check or control in its fluctuations in value—makes heavier the burden that has to be borne by everyone who is subject to any annual charge, the amount of which, in pounds, shillings, and pence, is a "fixed" amount.

4. Whilst from all this it results that all tenants with rents so "fixed" are in reality subject to a burden that is growing heavier from year to year, there is, in the case of our Irish tenants, the further point, that, in their case the state—in other words, the public authority of the country—has felt itself bound to assume the responsibility of regulating the amount of rent, or of rent charge, which Irish tenants should be called upon to pay, and has, in regulating it, tied them down for long terms of years, to the payment of amounts "fixed" in pounds, shillings, and pence, no regard being had to the fact that, as things now stand, an amount so "fixed" represents in reality, an ever-increasing burden.

5. As appears from the last published report of the Irish land commission, the number of cases in which rents have been fixed by the various methods within the scope of the commission is now 288,054, with an aggre-

gate "fixed" rental of £4,733,262—the rental in each of the 288,054 cases being fixed for a term of fifteen years.

6. Furthermore, there are considerably more than 20,000 tenant purchasers, with annual charges payable to government—charges "fixed" in amount for forty-nine years, and amounting in the aggregate to little less than half a million sterling, the result of the purchase of their holdings by tenant farmers, under the provisions of the land-purchase acts of 1885 and 1891.

7. The gravity of the effect of the recent and continuous "appreciation" of gold in all such cases of "fixed" annual charges is now openly acknowledged by statesmen whose testimony in the matter is certainly not open to suspicion. Money, says Mr. Balfour, the late chief secretary for Ireland, has to serve not only as a medium of exchange, but also as a "fair and permanent record of obligations extending over long periods of time." In this requirement, he goes on to say, "Our existing currency totally and lamentably fails." The increase of value in our present standard of value he describes as progressing "steadily, continuously, indefinitely." All this, he truly says, "Throws a burden upon every man of enterprise, upon every man who desires to promote the agricultural or the industrial resources of the country, and benefits no human being whatever but the owner of fixed debts, such, for instance, as rents." And as he elsewhere puts it, explicitly in reference to rents and all such annual charges, "with every rise in the value of gold, the weight of this burden upon the industry of the country increases."

Will the Senators from these agricultural States deny the soundness of the statements of such monometallists as Mr. Giffen? Will they be able to convince their constituents that a blow at silver does not enhance the value of gold, and that the appreciation of gold does not reduce the price of their products? I am afraid they can not. This is the economic principle so well established as to have become an axiom, and this axiom the people now understand and accept as needless of demonstration. Shall we turn a deaf ear to their appeals or add another blow to the already prostrate form of an industry the dearest to the prosperity of a nation. I appeal to Senators from the South and from the West to stand for the protection of their own States, for our prosperity is linked with silver and the silver States. Let us make this defense in a manly and courageous manner; not in the spirit of sectionalism or class legislation; not with a spirit of hostility to the eastern interests of our country, but in the spirit of "equal rights to all and special privileges to none." Endeavor to preserve the landmarks of our fathers and bring justice and righteousness to a harmonious and free people.

In concluding, Mr. President, let me say that I have tried to show:

1. The importance to the people of our country of the question now under debate in this body.

2. That the Sherman silver law of 1890 is in no way responsible for the present disturbance in our business interests, but rather that the money power of America and Europe are crowding the gold standard for the purpose of enhancing the value of their holdings.

3. The danger to our American liberties of yielding to the advice and demands of the money power as represented by banking institutions.

4. That the record of the Democratic party has been on the side of the people in this fight, and that it means the wrecking of the party to change front.

5. That the money of the future will be relieved of intrinsic value, and will be better than either gold or silver, being based upon the wealth of the nation.

6. That we of to-day must deal with gold and silver. This being the case, we should as a people broaden the base of our

money system by opening our mints to the free coinage of silver.

7. That as between gold and silver the latter is the more stable measure of our commodities. But all history and testimony and experience prove that gold is the dishonest dollar, because it has appreciated in value until it is now worth $1.50.

8. That it is folly to fritter away time and money with an international conference on the question of bimetallism, and that we must prepare for independent action.

9. That our hope is in looking southwards towards a Pan-American alliance, and toward a people eager to coöperate with us.

10. That the present contest is not between a few silver States and the welfare of our country, but rather the contest of a people burdened with debt and fast sinking to the condition of the European laborer, against the aggressions of moneyed corporations.

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