

# REMONETIZATION OF SILVER.

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A political party is as truly bound to keep faith with the people and execute in good faith its covenants and agreements as a business man is required to keep and perform his business engagements; a failure or refusal to do so ought to incur the penalty of political death.

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## SPEECH

OF

# HON. JOHN MARTIN.

OF KANSAS,

IN THE

SENATE OF THE UNITED STATES,

WEDNESDAY, OCTOBER 11, 1893.



WASHINGTON.

1893.



SPEECH  
OF  
HON. JOHN MARTIN.

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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. MARTIN said:

Mr. PRESIDENT: Heretofore I have refrained from taking any part in the great controversy that for the past two months and more has engaged the anxious attention of the Senate and country, to the exclusion of all other matters. I have chosen to pursue this policy of silence, hoping that the wisdom and patriotism of the more experienced members of this body would suggest some plan or method by which all conflicting interests might be finally reconciled and a policy adopted that would at least command the united support of the Democratic majority in the Senate; a policy that would meet the approval of the country and be of permanent public advantage. And I have felt disinclined to add a word that might postpone these results or tend to make them more difficult of attainment. So far, this desirable and important result has not been reached, nor are the prospects for such settlement hopeful or promising.

In my judgment the time has now come when every Senator should boldly and clearly announce his position respecting the pending measure and his purposes in relation to the same.

Mr. President, I have not and do not share or sympathize with the opinion so frequently expressed in this Chamber in the last ten weeks that we were or are confronted by a serious financial disaster or a fearful national peril. That there has been and still is a condition of unrest, a series of financial disorders, and, if you please, a money panic, I concede. But that there ever existed or now exists any just or legitimate cause or causes for these conditions I deny. Nor do I believe that the so called Sherman law has had the slightest influence, naturally or legitimately, in producing these conditions. That the law in question has been by bad, selfish, and unpatriotic men made a pretext for these disorders is, to my mind, a palpable and incontrovertible fact.

A few days ago the Senator from Missouri [Mr. COCKRELL], in addressing the Senate, made the declaration that it is a "bankers' panic, and made to order for the shameful and wicked purpose of destroying silver as a part of the national currency." I believe this statement to be absolutely true. A few days later the Senator from South Carolina [Mr. BUTLER] declared that the

"panic," as it is called, was largely the result of dishonest and reckless business methods by bankers, stockbrokers, and their associate classes, and I thoroughly concur in this opinion. Entertaining these views, I have favored a policy of making haste slowly. Experience and observation have led me to believe that periods of excitement and panic are not conducive or favorable to wise, prudent, and useful legislation on any subject. And those who are charged with the high and responsible duty of formulating policies and conducting public affairs should be the last to yield to public excitement or unreasoning clamor of any description.

It is the highest duty of public men to be guided by wisdom, courage, and cool deliberation, by prudent action to quiet excitement, and by reason and courage to dispel and conquer panics. The highest test of the great soldier is his ability to inspire confidence and courage in a panic-stricken army, and by prudent action to convert apparent defeat into splendid victory. He is the great commander who remains cool and collected amid the perils of threatened shipwreck; who can quiet the fears of those subject to his command, dispel panics, restore confidence, and save his charge from disaster and death. And if we courageously resist the arrogant and selfish demands of panic-stricken money-changers, reckless stock-gamblers, and their associated agencies, our ship of state will successfully ride the storm that they have wickedly provoked, and very soon we shall enter into calm and quiet seas and in the end reach a friendly, safe, and profitable harbor.

Mr. President, I have said that I have not shared in or sympathized with the "calamity howl" that has been indulged in in this Chamber in regard to the financial condition of the country and in the agency of the Sherman act in producing this supposed fearful situation. On the 15th day of June last I expressed my opinion in regard to this matter in a telegram to the *New York Times*, which I shall read to the Senate. It is as follows:

NEW YORK, June 9, 1893.

Hon. JOHN MARTIN, *Topeka, Kans.*:

On equally good security money now loans in England at one-quarter the current rate in the United States. In the opinion of prominent financiers, if the Sherman act is to be repealed immediate relief will result from prompt assurance thereof, and resulting in a flow of cheap money from London to America. Will you oblige the *Times* by writing briefly, at our expense, whether you favor repeal of Sherman law, and what plan of currency issue you favor?

NEW YORK TIMES.

TOPEKA, KANS., June 15, 1893.

*To the Editor of the New York Times, New York City, N. Y.:*

I answer your telegram of June 9 as follows:

First. Your statement as to the relative rates of interest in England and the United States is not true.

Second. I have no confidence whatever in the opinions of your "prominent financiers." They were never known to be right.

Third. The Sherman law has not caused the present financial troubles, and its repeal will have no such result as they assume.

Fourth. We neither want or need "cheap" money from London or elsewhere.

Fifth. The Sherman law is and was intended as a trick and scheme to destroy silver as money, and should be immediately repealed, provided proper silver legislation is substituted.

Sixth. I am in favor of a currency of gold, silver, and Treasury notes agreeably with the demands of the Democratic national platform.

Seventh. If the Secretary of the Treasury firmly resists the dictation of your "prominent financiers" and their associate conspirators in Europe and elsewhere the present financial flurry will be brief and harmless.

JOHN MARTIN.

This telegram to the New York Times clearly expressed my views on the 15th of June; and I have neither seen nor heard of any substantial reason since then that would justify or require a change of any opinion then expressed. That we are confronted, however, Mr. President, by a condition of public disturbance affecting to some extent the business interests and industries of the country is a fact, however much we may differ as to the causes that have led to these results, and later on I shall endeavor to establish by conclusive proofs the main causes that have produced the present distress and business disorders. In my judgment the real issue involved in this controversy is whether we shall eliminate silver from our currency, and establish an exclusively gold standard. Evade and explain as we may, the fact remains that the present controversy is a war against silver as a part of the money of the country.

It is largely a contention between the creditor and the debtor classes. It is to a very great extent a conflict of interest between the West and the South on the one part and Eastern interests upon the other. In this aspect of the case it becomes more of a sectional than a party question. Eastern Democrats and Eastern Republicans are arrayed upon the one side in opposition to silver and in favor of the gold standard. Upon the other hand Western and Southern Democrats, Republicans, and Populists are in favor of both gold and silver. Under these circumstances the public interest demands a settlement of the controversy by mutual concession and compromise. And upon this point I heartily concur in the eloquent declarations of the Senator from Kentucky [Mr. BLACKBURN] submitted to the Senate a few days ago. I believe with him that this controversy ought to have been adjusted at the very outset by a Democratic caucus; a settlement that would alike have been fair and just to all interests and to all sections of the country.

The interests of the Democratic party demanded this action. That party is in absolute control of every department of the Government having to do with the enactment of legislation, and it will be held to the strictest responsibility by the country upon this and all other questions of public policy that may be formulated during the present Administration. And the country will not and ought not to tolerate any evasion or pretense for non-action. Nor will the country look to the Republican party for relief, nor will it hold the Republican party responsible for any results that may come, whatever they may be. And where differences are so radical, compromise and concession in the public interest and upon an honorable basis are always just and right. Human society exists upon the basis of concession and compromise. Social organization is a compromise. Government itself is the result of a series of compromises. The business relations of life are adjusted upon the theory of mutual concession and compromise. And, as a general rule, all great and useful legislation has been and will ever continue to be based upon the theory of compromise.

It was concession and compromise that united the thirteen colonies against Great Britain, in the beginning of our history, and that led to our freedom and independence. Without compromise and concession the government under which we live, and of which we are all so proud, could not have been formed. It was the spirit of concession and compromise that controlled and governed the action of the statesmen and patriots who formed our present constitution. And without this spirit of compromise our present form of government would never have existed, and the perils, hardships, and sacrifices of our revolutionary ancestors would have been in vain. In 1819-'20 compromise averted threatened serious national disaster and the probable disruption of the republic. In 1850 this same spirit of compromise preserved us from civil strife and possible disunion. And in 1860-'61 it was for the lack of this spirit of concession and compromise that the civil war was brought on, which drenched the country in fraternal blood and afflicted our people with all the horrors of civil war. And those of us who believe in the use of silver as a part of the constitutional currency of the country are of the opinion that it is a matter of such grave and vital importance that patriotism and public interest, present and future, emphatically demand that this controversy shall be settled by such compromise and concession as will be fair and just to all.

Mr. President, it has been said of us by our political opponents that the Democratic party is incapable of self-government and unequal to the task of managing public affairs. And I am frank to say that it does seem to me that the Democratic majority in this Senate is doing all in its power to demonstrate to the country the truth of these Republican charges. The Democratic party has a clear majority in the membership of this body. At the very outset of our legislative career we are torn and rent by factional and conflicting interests. The integrity of the party is threatened, business enterprises and the public interests imperiled because of selfish local demands. Are we dead to the dictates of reason and patriotism?

Is not the preservation of the Democratic party of sufficient importance to the present and future welfare of this country as to justify and even demand the exercise of such mutual concession in the formation of some definite policy as will relieve the party and the country from the present dangerous environments and utterly disarm our Republican friends of their unfriendly criticism? Is it true that we are not capable of formulating and executing public policies that will bring peace, happiness, and prosperity to the country? Or are we to verify the predictions of our friends on the other side of the Chamber, that if we were intrusted with power we would prove incapable of exercising it for the public good? I fear, Mr. President, that the experience of the last sixty days is rapidly tending to verify such predictions.

Mr. President, I have said, and repeat, that in my judgment the so-called Sherman law has had but little if anything to do with producing the present disturbed condition of financial affairs. Upon the contrary, I believe that these results have been produced by dishonest and bad business methods, at home and abroad; that one of the chief factors is the stock-gambling operations in our large cities. Another cause is the dangerous

centralization of the money power in our commercial centers. Another cause is the uncertainty respecting the character and modification of our tariff laws. And I am very much inclined to agree with our Republican friends that the latter has much more to do with our present unfortunate condition than has the Sherman law. I am in favor of radical tariff reform and reduction. And however wise and fair this policy may be, it must for the time being naturally be productive of anxiety and uneasiness in the minds of the manufacturers of the country. And so whatever action may finally be taken with respect to the tariff, we must reasonably expect a season of anxiety and partial distress.

Mr. President, I am not a friend of the Sherman law. I think it essentially bad in every respect. It is a deliberate attempt to legislate a part of the Constitution of our country out of existence. Instead of treating silver as money and as a money metal, as required by the Constitution, it has converted it into an article of commerce; and the common experience of mankind has taught us that the destruction of the monetary quality of either gold or silver will always impair its value and limit the circle of its influence and usefulness. I do not believe that the coinage of 4,500,000 ounces of silver per month, or the issuance of silver certificates to that amount, could or would create an excess of currency or have any influence in producing, in and of itself, the financial panic and disturbance that we have witnessed. And as a matter of fact, statistics that have been read in the Senate demonstrate the fact that within the last six months there has been no great disparity between the imports and exports of gold to and from the United States. And when we take into consideration the additional fact of the accumulation of gold from our own mines, there can be no just cause for the apprehension of danger from any exportation of gold.

But, Mr. President, I believe the real cause of our present trouble was a deliberately formed plan upon the part of our great bankers and their allied interests in the city of New York and elsewhere to take advantage of the disquietude in manufacturing circles already noted and to bring about the present condition of affairs for two purposes: First, to compel the Federal Government to issue its bonds in order that they might control them for investment and speculative purposes; and second, to discredit silver and prevent its further use as a part of the currency of the country. And, while it is impossible, in the nature of things, to establish this proposition by direct evidence, the circumstantial evidence is so clear and satisfactory as to leave but little if any room for doubt in the minds of careful and impartial judges.

The Senate will remember that toward the close of the Administration of Mr. Harrison, the subject of issuing the bonds of the Government was seriously considered by that Administration, and strongly pressed by the bankers of New York and elsewhere. And I believe it is a part of the unwritten history of that Administration that an opinion had been obtained from the then Attorney-General confirming the power of the Secretary of the Treasury to issue such bonds; and that in addition to this, the then Secretary of the Treasury went so far as to pre-

pare dies and plates for these bonds; that upon consultation it was concluded to abandon the plan and throw the responsibility for such action upon the present Democratic Administration. It is also a well-known fact that the present Secretary of the Treasury had been frequently urged to issue bonds at various times since March 4 last.

But, to his credit, he has steadily refused to do so. At the several times when the issuance of bonds was being pressed the subject of the repeal of the purchasing clause of the Sherman law was also considered and urged. And these importunities were invariably instigated by Eastern bankers and their associates. In other words, it was clearly and manifestly the Wall-street policy to issue bonds and to stop the coinage and use of silver. To justify this policy there was no pretense on the part of any one that there was too much money in the country. Upon the contrary, the proposition was almost universally conceded that there was an insufficient supply of money in the country to transact our constantly increasing trade and commerce.

If this be true, the inquiry naturally arises why the money-changers of the country should be so solicitous for the issuance of Government bonds and the demonetization of silver. It will hardly be contended that these gentlemen were influenced in making their demands by considerations of public interest. On the contrary it is quite clear that these people were considering their own interests alone. Large volumes of money had accumulated in the cities of New York, of Boston, and Philadelphia, and elsewhere in the East, that was unemployed. Investment was refused because safe and remunerative returns were not absolutely assured, hence the object and purpose of the money-changers was to secure an issue of United States bonds in which to invest their surplus earnings. And secondly, they proposed to decrease and limit the amount of circulating medium in order that it might be more convenient for them to control it. And thirdly, these bonds were desirable and necessary for the perpetuation of the national banking system.

These are the three material considerations that lie at the base of this entire monetary conspiracy. The parties to this conspiracy finally concluded to renew their operations in the city of New York; and, as preliminary to this contemplated action, the banks in New York, Boston, and elsewhere were extremely busy in proffering advice and assistance to the Secretary of the Treasury, on terms altogether favorable to themselves, of course, to meet any possible reduction of gold in the Treasury. They were free and profuse in their offers of assistance, as well as in their prophecies of an impending panic. In proof of this proposition we have seen that letters were addressed to the Secretary of the Treasury from various quarters, tendering to him the use of large amounts of gold. And the following is the text of Secretary Carlisle's letter of thanks to the Boston bankers:

TREASURY DEPARTMENT,  
*April 25, 1893.*

MY DEAR SIR: I desire you to convey to the associated banks of Boston my sincere thanks for their generous and patriotic action in tendering gold to the Treasury. If all the banks in the country which now hold gold would imitate the example of Boston, the financial situation would soon be changed

and there would be no doubt hereafter as to the ability of the Government, with the patriotic assistance of the people, to maintain its credit, even under the most unfavorable circumstances.

Very truly, yours,

J. G. CARLISLE.

MR. PHINEAS PIERCE,

*Chairman Clearing-House Committee, Boston, Mass.*

It will be observed that this letter is dated April 25. On the 26th of April the following notice was published in the Boston papers:

BOSTON, *April 26.*

Secretary of the Treasury Carlisle has returned his thanks to the associated banks of Boston for their tender of gold coin, and has accepted the offer. Phineas Pierce, chairman of the Clearing-House Committee, has so notified the banks. The action of the Boston banks will place at the disposal of the Government between \$5,000,000 and \$8,000,000 in gold.

The Senate will remember that on the 27th of April a naval parade was to occur in the harbor of New York. On the 26th of April, the following Washington dispatch appeared in the New York papers:

WASHINGTON, *April 26.*

The President to-day designated Assistant Secretary Hamlin to act as Secretary of the Treasury in the absence of Secretary Carlisle, who left this afternoon with the President and other members of the Cabinet for New York, to be absent one week. Mr. Hamlin had a conference with Secretary Carlisle this morning and was made acquainted with the general policy of the Treasury Department, especially as regards the present gold question. The situation to-day shows improvement. Gold in small quantities was offered from several points this morning and accepted. The policy of the Treasury Department will be to accept all gold offered, unless the conditions imposed are disadvantageous to the Government.

The President and Secretary Carlisle show by their action in leaving the capital at this time plainer than words can make it their entire confidence in the financial situation. Gold will be paid out as demanded for Treasury notes, without inquiring whether the gold reserve is thereby invaded or kept intact. It has been practically turned into the Treasury's available cash since the President's announcement that gold would be paid for all Treasury notes.

Secretary Carlisle said this morning that there was nothing new to say of the situation, except that he was daily receiving offers of gold which he was accepting.

One important fact to be noted in this dispatch is that at that time there was no fear or apprehension, so far as the President and Secretary of the Treasury were concerned, respecting the financial situation of the country. If this dispatch was authoritative, the policy of the Administration was clearly defined; and it is equally clear that there was no indication or intimation of any financial troubles existing or likely to exist by reason of the operations of the Sherman law. And, in the language of the dispatch, "The President and Secretary Carlisle showed by their actions in leaving the capital at that time, plainer than words could make it, their confidence in the entire financial situation."

But, unfortunately, the matter was not to be left in that shape; and the further device was adopted by the New York bankers of obtaining an interview with the Secretary of the Treasury at the earliest possible moment for the purpose of impressing upon him their views of the situation. Hence it was arranged that upon the arrival of the Secretary of the Treasury in New York, or as soon thereafter as possible, he should be accorded an opportunity of meeting and conversing with the "financiers" or

New York; and the result of that scheme is to be found in the New York Sun of April 27, 1893, which reads as follows:

TO CONFER WITH CARLISLE—BANKERS EXPECT TO MEET HIM TO-DAY OR TO-MORROW.

It is the opinion of financiers who have talked with the President that he will do nothing tending to defer final action toward the repeal of the Sherman law.

Secretary Carlisle arrived in town last night. Early in the day Assistant Treasurer Jordan received word from him that he would be in town and would remain over to-morrow. Mr. Jordan immediately conferred with bank presidents and private bankers to ascertain when it would be most convenient for them to meet the Secretary.

To-day is a legal holiday, and many of the bankers are on the various Columbian committees. The majority believed that they could not get away from their duties until late this afternoon, and even then the festivities of the evening would prevent them from giving the time necessary to talk over the financial situation with the Secretary.

It was suggested that the bankers meet the Secretary to-morrow morning at 11 o'clock. Secretary Carlisle is booked to accompany President Cleveland to Chicago to-morrow morning, but he is suffering from a severe cold and may not be able to go. Mr. Jordan visited the Secretary last night and told him of the situation. If the Secretary decides that he will be only able to see the bankers late this afternoon telegrams will be sent to them. Any conference held to-day will doubtless be at either the Fifth Avenue or the Victoria Hotel.

A number of the bankers had an impression that no material results concerning a bond issue would come from any talk with Secretary Carlisle. An influential New York Democratic Congressman recently had a talk with President Cleveland concerning the repeal of the Sherman law. This Congressman told the President that the best way to have the Sherman law repealed would be to demonstrate the evil effects on the business community of the country. The President seemed to agree with the Congressman. Several financiers of repute in New York came from Washington yesterday, and they had gathered the opinion that it is the purpose of the Administration not to take any steps that in anyway would tide over the results of the Sherman law. In other words, so far as they could learn, President Cleveland had ascertained that there was no alternative, and that to step in now and issue bonds would only defer final and conclusive action toward the repeal of the Sherman law.

The Washington people were strong in this belief. They pointed out that in the President's manifesto he had said that he would continue to pay the Government's obligations in gold. Since that declaration the great supply of gold all over the country has been demonstrated, and Secretary Carlisle has been daily in receipt of offers of gold. Should these offers be discontinued there would be only one thing to do, and that would be to dip further into the reserve. However, nothing certain concerning the Government's policy will be known until President Cleveland returns from Chicago.

In the meantime Secretary Carlisle will talk with the bankers and ascertain their views. President J. Edward Simmons, of the Fourth National Bank, said that the talks with the Secretary would be free and frank, and that there was every disposition to get along pleasantly and harmoniously. The bankers will do everything reasonable, but they can not be expected to turn in their gold to the Treasury and injure their reserves at a time like this.

No gold has been engaged for shipment on Saturday, the decline in sterling exchange having temporarily interfered with shipments.

It will be noted that this article outlines a plan of meeting with the Secretary of the Treasury, and that the matter of issuing bonds and the repeal of the purchasing clause of the Sherman act was to be the subject of that conversation is conclusive; and it is so important in demonstrating the truth of the proposition that I advanced in the outset that I again call the attention of the Senate to that part of it referring to the issuance of bonds and the repeal of the purchasing clause of the Sherman law:

A number of the bankers had an impression that no material results concerning a bond issue would come from any talk with Secretary Carlisle.

This paragraph clearly demonstrates that one of the important elements to be considered in that meeting was the issuance of Government bonds; but the parties interested in it had little hope of its success, because of the fact, generally known, that Mr. Carlisle had resolutely set his face against any operation of the sort. The article further states:

An influential New York Democratic Congressman recently had a talk with President Cleveland concerning the repeal of the Sherman law. This Congressman told the President that the best way to have the Sherman law repealed was to demonstrate the evil effects on the business community of the country.

As to who this Congressman was, I have no knowledge. That he was a representative of the banking interests in New York is quite clear; that he was authorized by them to suggest to the President the idea of an "object lesson," which they subsequently adopted and enforced, is conclusive. And the suggestion thus made is in absolute harmony with subsequent events. The article further says:

The President seemed to agree with the Congressman.

Now, Mr. President, that part of the story that seeks to implicate the President as seeming to agree with the Congressman I do not believe. I do not believe that either the President of the United States or the Secretary of the Treasury had any connection whatever with these suggested plans and schemes. My knowledge of the men and their well-earned reputations for integrity and justice, utterly forbids the idea that either the President of the United States or the Secretary of the Treasury would by word or deed be a party, directly or indirectly, to the wicked, corrupt, and dishonest methods of procedure suggested by these banking associations. The article further says:

Several financiers of repute in New York came from Washington yesterday, and they had gathered the opinion that it is the purpose of the Administration not to take any steps that in anyway would tide over the results of the Sherman law.

In other words, so far as they could learn, President Cleveland had concluded that to step in now and issue bonds would only defer final and conclusive action toward the repeal of the Sherman law. In other words, the President had settled in his mind that the then existing condition of public affairs would not warrant an issuance of bonds, nor was it apparent to him that any conditions were likely to exist that would authorize it. Thus we find, Mr. President, that the preliminary steps to this conspiracy were formed, and were to be put in operation, if at all practicable, upon the occasion of the visit of the Secretary of the Treasury to New York. And what further occurred will plainly appear later on. On the next day an article appeared in the same journal, the Sun, April 28, 1893, headed:

**BANKERS MEET CARLISLE—AN HOUR'S TALK AT THE HOUSE OF PRESIDENT WILLIAMS—THE SECRETARY REPEATS HIS DECLARATION THAT THE REPEAL OF THE SHERMAN LAW WAS THE PRIME DUTY OF THE ADMINISTRATION—NO NEW BONDS EXCEPT AS A LAST RESORT.**

No new bonds except as a last resort. That was exactly the statement that these gentlemen did not wish to hear from the Secretary of the Treasury. The unquestioned object of the meeting, as suggested in the article of the 27th, was, if possible, to induce the Secretary and the President to issue bonds, and

that policy is clearly outlined in the article to which I have just called the attention of the Senate. It was suggested in that article that on the next day there would be a meeting of the bankers and Mr. Carlisle to talk the situation over. On the 27th, in pursuance of the previous statement, they did meet at the house of President Williams, and here is what took place:

[New York Sun, April 28, 1893, page 7.]

**BANKERS MEET CARLISLE—AN HOUR'S TALK AT THE HOUSE OF PRESIDENT WILLIAMS—THE SECRETARY REPEATS HIS DECLARATION THAT THE REPEAL OF THE SHERMAN LAW WAS THE PRIME DUTY OF THE ADMINISTRATION—NO NEW BONDS EXCEPT AS A LAST RESORT.**

Secretary Carlisle decided yesterday morning to have a talk with the New York bankers. Late on Wednesday evening after his arrival from Washington, he conferred with Assistant Treasurer Jordan, and ex-Assistant Treasurer James J. Canda. As a result the Secretary yesterday morning suggested that he met the bank presidents and private bankers at four o'clock in the afternoon. The postponement in the naval review because of the storm caused some delay, as Secretary Carlisle accompanied President Cleveland on the Dolphin.

The Secretary landed with the Presidential party at the foot of Ninety-sixth street, and was there met by the Columbian reception committee, including President J. Edward Simmons, of the Fourth National Bank.

The Secretary and Mr. Simmons were driven to the home of President George G. Williams, of the Chemical Bank, and chairman of the Clearing House Association, at 34 West Fifty-eighth street.

The following gentlemen were there to greet the Secretary: Mr. Jordan, 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 Gallatin; President Coe, of the American Exchange, and President Woodward, of the Hanover, all national banks. The conference between the Secretary and the bank presidents lasted somewhat over an hour. There was the utmost good feeling displayed, and the Secretary said that he was there to make a free, 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 it would only be 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 said positively that there would be no bond issue except as a last resort. As the Secretary outlined the policy of the Government, it was that nothing would be done that in any way would retard or check the determination of the Cleveland 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 to the miners of silver the evil effects of the Sherman law on their own fortunes.

President Cleveland's advisers have told him that the only way to induce the Western and Southwestern Senators and Congressmen to consent to a repeal of the Sherman law is to demonstrate to their constituents that they are losing money every day that this law is in operation. The missionary 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 bankers, it was said, are carrying out the same line of policy. Secretary Carlisle, in his talk with the bank presidents, made his stand very clear. It is to be heroic treatment all the way through on the Sherman law, and possibly by the next session of Congress the silver-mine owners and the adherents of silver in the Senate and the 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 cooperate with him in the successful administration of the financial policy of the Administration. Everybody shook hands, and there was harmony all round.

In the meantime the Secretary continues to receive offers of gold from unexpected sources.

Mr. President, I submit that the testimony offered establishes beyond question the truth of the proposition that this panic "was

made to order"—manufactured expressly for the occasion and for the three purposes already stated, to wit: To force an issue of bonds, the destruction of silver as a money metal, and the perpetuation of the national banking system. If the matter was submitted to the consideration of a fair and impartial jury upon this testimony there could be no doubt about an affirmative judgment on the propositions that I have named. In making this statement, I want it distinctly understood that I acquit the President of the United States and the Secretary of the Treasury of any complicity in it. I do not believe that either of those distinguished gentlemen were advised or had any knowledge of the specific objects and purposes of this meeting.

Nor do I believe that they or either of them would under any circumstances have given an approval, direct or indirect, to the wicked and fraudulent schemes of the gentlemen that the Secretary met at the house of President Williams—the purpose and effect of which was to destroy and paralyze, at least for the time being, the business interests of the country. I apprehend that all Mr. Carlisle did was to meet these gentlemen as a matter of ordinary courtesy and politeness, and to afford to them the privilege of presenting their views, as he would have accorded a like opportunity to any other citizen of the Republic.

Mr. President, it conclusively appears from the article last read that the bankers of the United States, forgetting their duties as citizens and their obligations to the Republic in which they live and to the laws of the land that secure to them the enjoyment of their possessions, and in defiance of every principle of good citizenship of morality and patriotism, deliberately entered into a conspiracy to paralyze and destroy for the time being the business interests and industries of the country, for the purpose of securing to themselves unjust and unconscionable advantages. The rights of the people were to be ignored; the interests of the Republic were to be ruthlessly trampled under foot; the wheels of industry were to be stopped; commercial enterprises were to be suspended; the fires and forges were to be smothered; all enterprises were to come to a standstill; the people of the silver States and the silver-mine owners of the West were to be crushed out—hardships of so onerous a nature were to be imposed upon them as to make it an "object lesson." And in their distress and peril they were to be forced to consent to conditions that their judgment and interests repudiated.

Those dependent upon banks and bankers for means to carry on their business were to be denied accommodation; credit was to be withdrawn, and banking accommodations were to be refused. The businessmen of the South and West and Northwest were to be crippled, crushed, and destroyed, ruthlessly and relentlessly. Men, women, and children were to go hungry and be forced to beg for bread in a land of plenty. They were to be starved into submission, and the accumulated perils and hardships, suffering and sorrow, distress and pain, which we have witnessed in the last six months were to be endured. The business interests of the country, the happiness and prosperity of its people, all to be wickedly and criminally jeopardized or destroyed for the sole purpose of subserving the merciless ends of conscienceless money-changers.

Mr. President, upon the evidence submitted "guilty" would be the verdict of an impartial jury against the money power of the United States; and punishment, swift, just, and relentless, ought to follow in the wake of such a verdict. But, Mr. President, we are not compelled to rely alone upon the evidence already submitted. It is supplemented by the further fact that on the 23d of September last an article appeared in the *Manufacturer*, an industrial trade journal published in the city of Philadelphia. I am told that it has a reputable standing, and is conducted and controlled by men of high character and intelligence, who are deeply interested in observing the course of events. This article reads:

#### HAS IT BEEN AN ARTIFICIAL PANIC?

The prostration of manufacturing industries is due to the uncertainty whether they are soon to be without tariff protection, and this industrial prostration is the great and governing cause of the general paralysis in business. But there has been, besides, a financial panic, a withdrawal of money from banks, a refusal of banks to pay their depositors on demand, and, beyond that, a practical suspension of bank functions in the collection and remittance of money. This financial trouble was superadded to the other, and it has caused great additional loss and injury. The question has been, from the first, how far this panic was natural and unavoidable, and how far it was artificial and manufactured.

It was observed that in those New York journals whose daily aim and purpose it is to serve the foreign and importing interests, regardless of the interest of the American Union, there was about four months ago a diligent effort to increase the natural anxiety caused by the outflow of gold. What are called "scare" heads, and "scare" paragraphs on the editorial pages, were used day after day, soon causing alarm as to the financial situation, and then developing that drain of the bank deposits which has been the main feature of evil in the money market. This "scare" was evidently artificial in a large measure. It is, moreover, believed by many that it was deliberately planned to excite public distrust, to give excuse for the assembling of Congress, and to exert "pressure" for the repeal of the Sherman act. It was to be an "object lesson" to the country, to convince business men, especially in the West, that the policy outlined in New York must be followed as the only way of escape from further distress.

That this charge was just, shocking as it seems, now receives support by fresh evidence. The hesitation of the Senate to repeal "unconditionally"—as the New York demand upon it reads—the silver-purchase clause has developed a new threat from that city that more object lessons will be given if the Senate halts longer. Thus in the money article of the *Press* of this city, on Saturday last, there occurs this statement:

"There is more time money offered and some commercial paper is being sold chiefly to country banks at 8 and 10 per cent. It is well understood that the New York banks will not freely lend money until the Senate votes for the repeal of the silver bill."

The threat in this may be said to be somewhat veiled. But that it is a threat appears from the dispatch sent at the same time from New York by the correspondent of the *Ledger*, of this city, and printed also on Saturday. This dispatch, speaking of the stock market in New York, said:

"It (the stock market) is waiting to hear from the Senate, and not without some apprehension that some further 'object lesson' may be needed to move that body."

This is certainly more definite, and can not be considered obscure. The threat that there shall be more "object lessons" is such a menace as all can understand. But in the money article of the *Press* on Monday there is a still more plain statement of the case. In that article there are these extraordinary sentences:

"The mercantile community which desires banking accommodations has not felt the improvement, and the reason is the New York banks have determined not to let money loose until the Senate votes for the repeal of the silver law of July. There is plenty of idle money in New York which business men could use to advantage, but the policy of the banks is to hold off. \* \* According to some street authorities additional and aggressive steps will be taken in New York to impress silver Senators. The following was sent around the street on the news tissues on Saturday: 'Our statement that steps were under consideration likely to exert pressure for repeal was sup-

ported by facts which came to light during the day pointing to the possibility of an early advance in rates for sterling exchange to figures which would make talk of gold exports instead of imports."

Two matters are alleged in these passages: (1) That the banks will not accommodate the mercantile community until the purchase clause is repealed, though there is plenty of idle money; and (2) that there is to be such an advance in the rates of exchange as will cause "talk," and consequent alarm over gold exports. The latter was "under consideration," according to the tissue bulletins, but the former was a line of action which had become definite and well settled.

Upon such announcements as these comment must be practically superfluous. To endeavor to create, by manipulation and artifice, fresh financial distress, is simply an attempt to commit a public crime, compared to which arson is trivial. But, like any other criminal design prematurely disclosed, it ought to defeat itself. We trust it may.

One thing must be remarked in this connection: It will be a dire misfortune if the national banks of the country are betrayed into complicity with such of those in New York as are helping to concoct this scheme of public injury. Because, if they shall be—if the whole national-bank system is to be tarred with this infamous stick—how is it supposed they can be effectively supported when their time of trial comes, as it presently will? The distinguished men at Washington in whose company the implicated New York banks may now suppose themselves safe, will not help to defend the national-bank system; on the contrary many of them will turn to rend it. And is it supposed that the mass of the people, if further convinced that the money panic was artificial—in part, or entirely a "set-up job"—will rally in the bank's defense?

Gentlemen, whoever you are, who propose to make distress wantonly, you are playing with fire, and may perish in the flame of your own creating.

So the opinion of these very able journalists is that—

The prostration of manufacturing industries is due to the uncertainty whether they are soon to be without tariff protection; and this industrial prostration is the great and governing cause of the general paralysis of business.

Mr. President, while I do not believe this statement to be entirely true, I do believe that the fear and apprehension entertained by the proprietors of the large manufacturing industries of the country is the result of anticipated changes of the tariff laws of the country; and it has had very much more to do with the financial disorders and business depressions of the last six months than all other causes combined. And when the tariff question comes up for discussion in this body you will hear this proposition advanced day after day by our friends on the other side of the Chamber. And very little if any of these disorders will be attributed to the Sherman law.

You will be told very pathetically too, and with great earnestness and eloquence by our Republican friends, that it was not the Sherman law that closed up the furnaces and forges and turned thousands of laboring men into the streets and made thousands of bread-beggars in the city of New York. And I am very much afraid that some of my Eastern Democratic friends whose homes are in the shadows of great manufacturing buildings, will be very much inclined to agree with them if they do not cooperate with them in order to prevent what I would call legitimate and proper tariff legislation. The article quoted from proceeds to say:

But there has been, besides a financial panic, a withdrawal of money from the banks and a refusal of banks to pay their depositors on demand.

That statement is true, Mr. President, and it is precisely the consummation of the purpose outlined in the article in the Sun of April 28. And here we might briefly inquire again, what was the policy to be pursued, as outlined in the Sun of April 28?

What sort of an object lesson was to be presented to silver-coinage States and to Western Senators and Representatives, to compel them to vote for the unconditional repeal of the purchasing clause of the Sherman act? It seems that—

Some of the President's advisers had told him that the only way to induce Western Senators and Representatives to assent to the repeal of the Sherman law was to convince them that their people were losing money every day that this law was in operation.

I do not believe that the President ever had an adviser that gave him any such counsel or advice. I do not believe that the President would ever have submitted to any such suggestion. Certainly no friend of his or of his Administration ever advised such a course or policy. That such selfish suggestions were made to somebody by the bankers of New York, I have no doubt. It is in harmony with the methods usually adopted by gentlemen of such class. We are also advised that there was a determination to show to the miners of silver the evil effects of the Sherman law upon their own future. We are further advised that the necessary work in that direction had been started by a number of the bankers in the "solid communities" of the East, and also in Chicago. And this object lesson was to be taught, and was taught, by daily refusing credit to the South and Southwest, and the West. In other words, in New York and elsewhere in the East, millions of money that legitimately belonged to the Southern, Western and Southwestern bankers, were locked up in New York and payment thereof refused when demanded.

Loans were to be refused to business men—loans required by them to enable them to carry on their operations. All the arts and wiles of banking were to be brought into effective operation for the purpose of creating a stringency in the money market. This would depress business, necessarily result in financial disaster, the closing of factories and forges, stopping the wheels of industry, paralyzing all commerce, producing an army of the unemployed—these were results that would necessarily follow the wicked and criminal conspiracy that was entered into by the New York and other bankers for the purpose of giving an object lesson to the "silver Senators," and to the Southern and Western Senators generally, thereby forcing them to vote for the unconditional repeal of the purchasing clause of the Sherman law.

Mr. President, this conspiracy and scheme was wicked, criminal, and infamous. It merits and should receive the unreserved condemnation of every man, without reference to his locality or his political relations. That these men could have entered into this conspiracy and could have pursued the plan so cunningly devised, in ignorance of its disastrous results, is absolutely impossible. Every man of ordinary judgment must have known that the execution of the plan agreed upon to bring about the terrible condition of affairs that we have witnessed would necessarily produce these precise results.

Unfortunately, Mr. President, the bankers have brought to their aid in this miserable piece of work a vast majority of the great newspapers of the country. Veneal and corrupt as nine out of every ten of them are, these newspapers have been a part of the machinery—the engines, the mediums—by and through

which these infamous schemes have been presented to the public. And day after day they have contributed their full quota of fraud and misrepresentation to inflame and excite public opinion. It is to be regretted, Mr. President, that the great newspapers of our country have to a very large extent ceased to perform the great functions for which they are intended. They are too often owned by speculating syndicates, gamblers, and brokers, and are published for the money in the enterprise without regard to any public interest. They are influenced and controlled by their environments—are often mortgaged to speculating capitalists, and, too frequently, their editorials are paid for at so much per line.

There was a time in the history of this country when a great newspaper stood for a principle. It had regard for the public welfare, was broad and comprehensive in its views and conceptions of public duty, and wielded great power for the public good. But this time has gone by. Now they too rarely represent a healthy political principle of any description. As a rule no words of condemnation have appeared in them denouncing the methods pursued by capitalists and bankers during the progress of this conspiracy, and notwithstanding the fact that these great moneyed institutions have withdrawn credit from the South, West, and Northwest, have deliberately refused to pay depositors their money, and have ceased to perform the ordinary functions of banking institutions in the collection and remittance of money, and have otherwise neglected and refused to discharge their duties to the public as contemplated and required by the very charters under which they exist. Not a word in condemnation was heard from our metropolitan press, because these acts are parts and parcels of the scheme to rob, oppress, and plunder the people of the West and South in order to force them to yield obedience to the money kings of the East.

Mr. President, I have heard it repeatedly stated on the floor of the Senate and elsewhere that large amounts of money were collected by Eastern banks and bankers and that they have actually refused to pay over such collections to the banks and persons for whom they were made; that when drawn upon for the money so collected they deliberately and arrogantly refused to pay it, giving as reasons therefor that "times were hard," that "financial conditions were dangerous," and that "we are afraid to part with the money." And, in addition to this, they have resorted to evasive plans and schemes unauthorized by law and in open violation of the very law under which they have their existence. They have associated themselves together and introduced and forced upon their creditors "certificates" and subterfuges of various kinds, never contemplated or authorized by law or by honesty. I particularly call the attention of the Senate to the following paragraph from the article quoted from the Manufacturer:

This financial trouble was superadded to the other, and it has caused great additional loss and injury. The question has been, from the first, how far this panic was natural and unavoidable, and how far it was artificial and manufactured.

It was observed that in those New York journals whose daily aim and purpose it is to serve the foreign and importing interests, regardless of the interest of the American Union, there was about four months ago a diligent

effort to increase the natural anxiety caused by the outflow of gold. What are called "scare" heads, and "scare" paragraphs on the editorial pages, were used day after day, soon causing alarm as to the financial situation, and then developing that drain of the bank deposits which has been the main feature of evil in the money market. This "scare" was evidently artificial in a large measure. It is, moreover, believed by many that it was deliberately planned to excite public distrust, to give excuse for the assembling of Congress, and to exert "pressure" for the repeal of the Sherman act.

It was an "object lesson" to the country to convince business men, especially in the West, that the policy outlined in New York was the only way to escape further disaster. Mr. President, that the statements contained in this paragraph are true does not admit of a doubt. They are in harmony with the articles already quoted from New York papers and in line with actually occurring and existing facts. It presents a picture of wickedness and crime unparalleled in the history of financial operations.

Mr. President, we are not left to one incident; we are not remitted to one circumstance; we are not forced to rely upon one theory, or piece of evidence, to establish the truth of this criminal conspiracy. Turn whatever way we may—to the right, to the left, to the present, to the past—we find an abundance of evidence of the most conclusive character to establish this conspiracy, its objects and purposes. And now, having wickedly planned it, and having wickedly and in cold blood executed it, with resulting starvation, suffering, prostration of business, destruction of industries, the paralysis of commerce; having caused thousands and thousands of poor men, women, and children to be thrown out of employment, with an army of the unemployed in the streets of New York begging for bread; with the cries and lamentations of your victims ringing in your ears day and night, you turn and ask Congress to relieve you from the evil consequences of your own wicked and infamous conduct. And you assure us that the repeal of the purchasing clause of the Sherman act, which had no legitimate part in producing the troubles you complain of, will relieve the country from all its embarrassments.

Mr. President, as a link in the chain of circumstances tending to establish the existence of the conspiracy which I charge, and its objects and purposes, I quote further from the article in the Manufacturer:

The hesitation of the Senate to repeal "unconditionally"—as the New York demand upon it reads—the silver-purchase clause has developed a new threat from that city that more object lessons will be given. If the Senate halts longer. Thus, in the money article of the Press of this city, on Saturday last, there occurs this statement:

"There is more time money offered and some commercial paper is being sold, chiefly to country banks, at 8 and 10 per cent. It is well understood that the New York banks will not freely lend money until the Senate votes for the repeal of the silver bill."

Mr. President, it is difficult to understand and appreciate the full force and meaning of this paragraph. The threat to the Senate therein contained is, in substance, that unless we immediately repeal the purchasing clause of the Sherman act we are to be visited with another "object lesson." That such is the purpose of the men who are engaged in sowing the wind, in the first place, I have no manner of doubt. That they will be bold

and wicked enough to attempt its execution I verily believe. With a full knowledge of what was threatened in April last, and in view of what has taken place since that declaration of war was made, and also bearing in mind the natural, universal, and ever-present insolence, intolerance, and cold-blooded tyranny of what is known as the money power, wherever it has reigned, there can be no doubt in the mind of any fair man about the execution of this new threat. Indifferent to the ruin they have wrought, careless of the happiness and rights of their fellow-men, unmoved by the spectacle of the poor and the distressed, earnestly resolved upon the accomplishment of their own wicked ends at whatever peril and however disastrously it may affect the rights of others, these men are prepared to recklessly and relentlessly enforce their "object lessons" until their purposes are gained.

Present conditions are not without a parallel in the history of the United States. There are those yet living who have some recollection of the terrible war waged by the old Bank of the United States against the Administration of Andrew Jackson. The present attitude of the national banks of the United States presents an exact parallel to the controversy between Andrew Jackson and the money monster of that day. The old institution was cold-blooded, selfish, insolent, intolerant, and reckless. It sought not only to control the financial operations of the United States, but endeavored to establish a mastership in every department of the Government. It even invaded the Executive Mansion, and threatened the very life of the President himself. It demanded servile obedience from Cabinets, and insolently stalked into the very Senate Chamber and boldly and arrogantly made its demands.

This is precisely what the same power is doing to-day. Its object is to turn the Executive Mansion into a temple of the money-changers and to convert the Treasury Department into an annex to Wall street. And it demands that the Senate of the United States shall be its craven agency in the accomplishment of its ends. The question, Mr. President, is whether the Senate of the United States shall be the refuge and shield of the people from wrong, injustice, and tyranny, as it has often been in times past, or whether it shall yield and abdicate its functions for the benefit of a relentless and selfish class. It is not so much a question whether the purchasing clause of the Sherman law shall be repealed, or whether it shall not be—however momentous the issues involved therein. A greater issue is presented, and it is whether government by the people of the United States shall continue, or whether the Government shall be delivered over to the dominance and control of an unscrupulous, arrogant, and selfish class. For one, so far as I am concerned, I intend to stand by the people and against classes, of every name and nature.

Even, Mr. President, if I were halting between two opinions upon the subject of repeal—if I were hesitating as to the line of duty I should pursue at this time—if I had doubts as to what the wishes and interests of my own constituents are—if I were uncertain of the line of policy to pursue in regard to the pending bill—the conduct manifested by the banking interests of the United States would alone be sufficient to determine my action and record my vote against their demands. If I doubted, I

should resolve the doubt in favor of the people, against whose interests the plans of these gentlemen are aimed. In any event their attitude toward this bill would be sufficient warrant for any honest man to hesitate and pause for solemn inquiry as to the steps that he should take. And this Senate would do well to think often and seriously before yielding to dictates and demands of the character that I have endeavored to describe.

Mr. President, we can not rid ourselves of the conclusion nor divorce ourselves from the conviction to which I have directed the attention of the Senate by simply saying that the proofs offered "are simply newspaper articles." It is true they are newspaper articles, but they and the multitude of newspaper articles with which the Senate is familiar generally were written for a purpose. Many of them are articles that have been paid for. They are articles which reflect and represent the interests they speak for. They are not the vaporings of the idle and malicious. Nothing of the kind. They are declarations made for the benefit of men whose interests they represent. And there is no escaping that conclusion by any wave of the hand or mere declarations that they are irresponsible newspaper clippings or the statements of irresponsible men. No, sir; the effect of them can not be avoided in any such way. They simply reveal the objects, purposes, and interests of what is known as the money power with brutal frankness.

Let me again call the attention of the Senate to the closing paragraph of the article last quoted from:

There is more time money offered, and some commercial paper is being sold, chiefly to country banks, at 8 and 10 per cent. It is well understood that the New York banks will not freely lend money until the Senate votes for the repeal of the silver bill.

Mr. President, I am not a very old man, but I am old enough to remember that there was a time in the history of this Government when we heard a great deal from certain men north of Mason and Dixon's line about the slave-driver, and the crack of the slave-driver's whip. Times have changed, sir. If it be true that at one period of the country's history we had a slave oligarchy in the South, it no longer exists.

Now we are afflicted and threatened with an infinitely more dangerous oligarchy—a money oligarchy—and the crack of the slave-driver's whip is no longer heard in the cotton fields of the South. It has been transferred to New York and Boston and Philadelphia, and other seats of the money power. And its crack is now heard in the temples of your money-changers and where fortunes are gambled for on your boards of trade, and like palaces of robbery and shame. Those are the places where it is heard nowadays, and as a rule it is not in the hands of as brave, manly, and a generous people as in the days gone by; but it is wielded by the hands of cold-blooded Shylocks, whose prototype and ancestor Shakespeare found and immortalized by his genius.

There is one other fact, Mr. President, that I desire to call attention to in this connection, and that is, that notwithstanding all the clamor we have heard about the "money market" the fact is that the money market and the business industries of the country have been steadily improving since about the 1st of July.

This is a fact that can readily be verified by the daily reports of Eastern newspapers, commercial journals, bank magazines, and financial papers all over the country. Upon an examination of these journals you will find that day after day and hour after hour the volume of trade, traffic, and commerce of every description has been on the increase. Day by day money has become more plentiful. Week after week the trade reviews are of the most encouraging character. Manufacturing establishments, after a period of idleness, have been put in active operation.

Gold has been constantly flowing into the country, so that at this hour we probably have more gold in the country or quite as much as we have had at any time in the last twelve months. And the New York, Boston, and Philadelphia papers, in their commercial reports, give evidence of an improvement in trade of every kind and character, which will no doubt continue in the absence of further "object lessons." There was and still is an abundance of money in the banks. Deposits are increasing by the million, loans are constantly increasing at a low rate of interest, and every movement gives clear indication of a return to order and prosperity. The new-threatened crusade may, and as a matter of course will, naturally, change these conditions. It will be instituted for the purpose of changing them. The people, and particularly Southern and Western Senators who are in favor of silver, must be treated to another "object lesson," and as a matter of course this object lesson can only be taught through the instrumentality and the devices that have heretofore been so disastrously used.

And why has this apparent season of prosperity set in? Simply because there was never any natural reason for the former disturbance. There never has been and is not now any legitimate financial trouble in our immediate presence. Hence the necessity for the object lesson for the purpose of deranging business, producing suffering, bringing distress upon the people in order to force an issue of bonds and to demonetize silver. And notwithstanding all the infamous schemes resorted to to emphasize this "object lesson" they were not sufficiently potent to prevent the resumption of trade and business according to the ordinary methods and principles. These conditions existing, the Senate is slow to act because there is not now and never has been a single hour since the Senate convened, a majority of its membership in favor of unconditional repeal.

Nor does a majority of the Senators to-day, nor has such a majority at any time, entertained the opinion that the Sherman law was the cause of the financial disturbances that we have had. Not even the "object lessons" have been sufficiently strong to induce the people or the Senate to believe anything of the kind. But the people have not yet suffered sufficiently, and have not sufficiently atoned for their independence in resisting the demands of the money lords: and I suppose the result will be a few more object lessons. And still we are gravely told by the newspapers, and sometimes inferentially by Senators on the floor of this Chamber, that the business interests of the country demand immediate action.

Mr. President, it may be important and useful to inquire what is meant by the "business interests" and the "business men" of

the country. I have heard that phrase used so frequently in the discussion in this Senate that it has suggested to me the propriety of inquiring who these "business" men are that are demanding the repeal of the Sherman law. Judging from what I have heard, I would conclude that the millions of farmers, who raise the corn and the wheat, and the cattle and the hogs, and the millions of agricultural products that supply the land, these farmers are not to be classed as "business men." The blacksmith, the carpenter, the laboring man, and all those who are engaged in the arts and the sciences and the operation of the general industries of the country, are not to be regarded as "business men"?

Mr. President, the vast majority of the people in this country are included in the classes that I have named. Do they not constitute the great body of your citizenship, and are they not entitled to more consideration than the others? I think so. And yet they seem to receive less consideration at the hands of public journals and at the hands of certain politicians than any other classes. And I am sorry to say, Mr. President, that the classes for whom I speak now—the farmers, the mechanics, the laboring men, the men in the mines, and those engaged in the general productive industries of the country, the small merchant, the doctor, the lawyer, and the millions of people included in these callings—receive and have less consideration at the hands of the Federal Government than any other classes of our people. It is time that this condition of affairs was changed. We have had class legislation and class favoritism long enough; and now the people and their interests ought to be considered by the American Government.

Listening attentively to the debate in Congress, I have sometimes been amused at the nervous anxiety exhibited when the subject of national banks is mentioned. Stretch forth your hand and touch a national bank, and you are guilty of sacrilege. You have touched something holy, in the estimation of some people, and immediately you hear a storm of indignation as if you were invading the very holy of holies and rifling the temple of the sacred vessels. Advance a proposition which has some general tendency to benefit the whole people of the country, of making the laws uniform in their operation and in their results, that their blessings, like the showers of heaven, may fall upon all the people—the rich and the poor, the high and the low alike—and you are confronted by the proposition that you are treading upon holy ground, that you are imperiling the business interests of the country, and it must not be done.

Submit a proposition such as was recently done by the Senator from Missouri [Mr. COCKRELL] to authorize the Government of the United States to issue Treasury notes to take up and retire certain past-due national bonds—as we undoubtedly have a right to do—and instantly you are met with the proposition that "it can not be done; you are advocating the issuance of fiat money; you are jeopardizing the business interests of the country by the issuance of an irredeemable paper currency." And we were told that to do this would be highly improper, exceedingly injudicious, and absolutely unwise. But submit a proposition authorizing the issuance of more bonds or to amend the laws, giving to

national banks the right to issue all the additional money that the country may need, and it is, in the estimation of these financiers and venerable statesmen, a highly proper thing. But for the Government to issue its own circulating medium is altogether improper.

It is entirely proper, in the estimation of many, to suffer an irresponsible agency, cold-blooded, selfish, and tyrannical in its nature, to control the monetary interest of the people. But when the Government undertakes to transact this business for itself and for the people you are forthwith met by some great constitutional or financial objection that is as idle and as unstable as the wind. All this must be relegated to the judgment and direction of our great financiers. And yet, Mr. President, I have never known in the whole course of my life of a great financier engaged in the banking business whose judgment I would be willing to accept over night when it comes to the formation of a great financial policy. I have never known one of them to make a prophecy respecting the financial operations of the Government that ever proved true, unless, indeed, it was of the kind and character we now have under consideration, where the bankers have deliberately and boldly formed a conspiracy to bring about certain conditions for their own advantage and benefit.

I have some knowledge of prophecies made by "great financiers" in the past, and the result has never been favorable or complimentary to their judgment. The average "financier," as he is called, outside of the mere formula of loaning money, speculating in stocks, and collecting interest, knows less of the basic principles of monetary science than almost any other man in the community. And this is the result of his training and environments. In this connection, Mr. President, I want to direct the attention of the Senate again to the telegram received by me from the New York Times on the 9th of June last. It reads:

On equally good security money now loans in England at one quarter the current rate in the United States. In the opinion of prominent financiers if the Sherman act is to be repealed immediate relief will result from prompt assurance thereof, and resulting in a flow of cheap money from London to America.

Now, Mr. President, if there were no other reason for my voting against the unconditional repeal of the purchasing clause of the Sherman act, I should do so for the very reason suggested in this dispatch, namely, that we should have a "flow of cheap money from England." I sincerely hope that this is a condition that will never exist in this country. We have had enough of "English cheap money." We have had too much of it. And conditions to-day would be infinitely better if we had never had a dollar of it. The fact is that we neither want nor need cheap money from any foreign country. What we do want and what we need—and a great deal more of it than we have—is the old-fashioned, Jeffersonian, constitutional, Democratic money, of gold and silver and greenbacks—greenbacks or Treasury notes issued by the Federal Government and not by national banks—gold and silver and greenbacks in abundance to supply all the reasonable wants of trade and commerce—that is the best money that can be possibly made.

It is good money; it is honest money; it is sound money, and

the more we have of it the better. And the less "cheap English money" we have the better off we are. I am of the opinion, Mr. President, that the "English cheap money" which is now invested in watered stocks, fraudulent railroad bonds, and wild-cat securities of every description, is one of the causes of the financial derangement of the present time. I trust and earnestly hope that the time may come, and come soon, when this great nation of 65,000,000 freemen—this magnificent empire, with all its splendid possibilities, greater than all Europe; this great, aggressive, intelligent, and self-reliant people, the most highly educated, the most enterprising of which history gives any account; the most capable of self-government that has ever existed on the face of the globe, will have a financial policy of its own.

A political policy which shall be known as an American policy; a financial policy which shall be essentially American. What we most need at this time, Mr. President, is a broader, deeper, and more intense spirit of genuine Americanism, a business system adjusted to the needs, interests, and conditions of American citizens. In other words, an American political and social system, an American commercial system, a system in all respects in harmony with the greatness and spirit of our own people, in order that we may become what we ought to be absolutely independent of the nations of the earth. Unfortunately, a false system of political economy and vicious business methods has mortgaged us to Europe and enslaved our commerce and trade, and made us the financial slaves of England.

These shackles and bonds which paralyze and enslave us must be broken before final and complete commercial independence and prosperity come to us. I hope the time will come soon, when we shall be absolutely free from all the nations of the earth and have no union with Great Britain, except such as shall come from history and tradition. No nation can ever grow great, wise, or independent that is financially and politically subordinate to another. No people can ever rise to the highest degree of intelligence and manhood so long as its financial system is subject to the dominance, control, or interference of a foreign power. So the best possible thing that can happen to us as a people, the best thing that can happen for the benefit of our children and our children's children, for all generations to come, is that we shall end all financial dependence upon the outside world. When we become the masters of our own financial as well as our political conditions we will be in a position to assume among the nations of the earth the rank, dignity, and power which our resources, intelligence, thrift, industry, manhood, and courage entitle us to occupy, and not till then.

Turning again, Mr. President, to the question of financial prophets, it is to be remarked that one of the peculiarities of these financial gentlemen is their habit of assuming a monopoly of knowledge about everything. The representative of this class promptly assumes that he knows everything about finance and that you know nothing. He is of the opinion that by virtue of his money-changing and stock-jobbing operations he has become absolute master of the science of finance in every respect whatever. The result of my observation is that as a rule they know

less of the real laws of finance and are the most unsafe and unreliable judges of broad financial operations and principles, as well as governmental science, of any class of people on earth. I have a recollection of some singular financial prophecies connected with political actions and results occurring within the last twenty years.

In the great political contest of 1872, when we Democrats so loyally supported Horace Greeley for President of the United States—a circumstance of which I have always been proud—our Republican friends became somewhat alarmed as to the possible result of that Presidential campaign. And they felt constrained to call upon a financial prophet to give the country some reasons why Horace Greeley should be defeated and why Gen. Grant should be reelected. If my memory serves me correctly, they called forth a prophet for that occasion, a gentleman of the name of Jay Cooke, who had been, I believe, a banker and a Government agent, and who was supposed to have grown enormously rich through this agency—a highly estimable gentleman of distinguished talents—and, as suggested by my friend from Delaware [Mr. GRAY], Mr. Cooke thereafter grew enormously poor; and I shall tell you how that happened.

Our Republican friends called upon Mr. Cooke to express his opinion as to the financial situation and the probable disasters and financial results which would overtake the country in case of the election of Mr. Greeley. So, in the latter part of the campaign a circular letter was issued by Mr. Cooke, a financial address from a Republican standpoint, advising the electors of the country to cast their votes for Gen. Grant; that the election of Mr. Greeley would be disastrous, and would dangerously disturb the financial interests of the country; that Mr. Greeley was not a financier; that he was without experience in the practical affairs of life, had no acquaintance with financial laws, and that it would be a serious mistake to elect him to the office of President. But, on the other hand, if they would vote for Gen. Grant, keep the Republican party in power and maintain its financial policies, continued peace and prosperity would hover over the land, and the smiles of Providence would be continually and perpetually upon us.

Unwisely, as people sometimes do, they obeyed the advice of this prophet and did vote for Gen. Grant. But notwithstanding the prophecy of Mr. Cooke that in the event of the election of Gen. Grant peace, happiness, and financial prosperity would continue, within less than a year from the inauguration of Gen. Grant we had a serious financial panic, in the very face of the predictions of Mr. Cooke. And the singular thing about it was that the very prophet who had so predicted was one of the earliest victims of the disaster which he had predicted would not occur if Gen. Grant should be elected. The result was that Mr. Cooke became poor because of uttering false prophecy—the natural and proper penalty for the false prophet.

Mr. President, I remember another instance which occurred during the Presidential election of 1876. Our Republican friends were much disturbed at the possible result of that campaign, and they called in another prophet and political financier. He scanned the political horizon, and in the deep and far-away skies

he saw visions of peace and happiness and prosperity to the country if Mr. Hayes should be elected and Mr. Tilden should be defeated. At the solicitation of our Republican friends he put forth flaming manifestoes, advising the people of the country of their prosperous and happy condition and assured them of a continuance of that peace, happiness, and prosperity in the event that Mr. Hayes should be elected.

Upon the other hand, he pointed out in lurid language the calamities and misfortunes that would befall the country and ruin our people if Mr. Tilden should be elected, and particularly if we should adopt his 3-per-cent bond policy. This great political financier and prophet, this master in finance, was Henry Clews, of New York, a banker, broker, stock-dealer, a gentleman of character and intelligence, standing high in his business vocation, and enjoying, undoubtedly, the confidence and respect of his fellow-citizens. I believe Mr. Clews had been a Government agent for the sale of its bonds and other securities, and that out of it he had accumulated, by the toil and sweat of his brow, a handsome fortune; just how much I do not know, but he was the chosen prophet of all other prophets selected by our Republican friends for this special occasion. Like Saul among his brethren, he stood head and shoulders above them all. And as a matter of course, he prophesied in favor of the Republican party and the election of Mr. Hayes. The result was that the people, as a matter of fact, ignored the prophet and his prophecy and elected Samuel J. Tilden to the office of President. Our Republican friends by some manipulations of doubtful propriety, but with which they seemed to be entirely familiar, got the advantage of us, and gave the office to which Mr. Tilden had been elected to Governor Hayes, of Ohio. Following this result retributive justice again came to the front. With smiting hand she justly and righteously punished this second false prophet.

So our Republican friends deliberately cheated the people out of their man for the office of President and installed another in his place, and because of this false prophecy, and this great public wrong, divine justice visited the country with swift and heavy punishment. Mr. Hayes had not been in office more than about six months when we were overtaken by the great financial crash of 1877, which more seriously affected the interests of the country than any occurrence of like character that had happened in many years, and curiously enough history repeated itself, and the very prophet that had been selected to warn us of the dangers that lay in front of us in case of the election of Mr. Tilden—the very man who had been selected as high priest and prophet to warn us against Mr. Tilden's financial methods, was the very first man to bend to the storm. History does repeat itself. It is sort of a retributive justice, but another proof "that justice walks with leaden feet, but strikes with an iron hand."

Mr. President, the financiers of the present are false prophets. They are endeavoring to mislead the people. They are endeavoring to mislead us to the injury and ruin of the country. They have selfishly and wickedly "sown the wind," and are justly and properly "reaping the whirlwind." They are now beseeching us to relieve them from the burdens and from the just penalties incurred by reason of their own ill-advised conduct. I am not

in favor of extending to them any benefit or advantages whatever resulting from their own cruel and wicked policy.

Shall we adopt the plan of giving special privileges and advantages to bankers or to any other class of citizens and permit them to use those rights, privileges, and prerogatives in such a manner as to produce harm and hurtfulness to the people and imperil and destroy their business industries through manipulations started originally for the very purpose of advancing their own personal interests? I do not believe such a policy would be either wise or just, and if such special privileges and advantages are accorded to any class of men and they shall abuse them to their own hurt no act of Congress ought to shield them from the consequences thereof. But in this as in all other cases swift and speedy punishment should follow the commission of the wrong.

Mr. President, I think I may be pardoned for diverging at this point from the line of argument I had intended to pursue in order to say that just so long as we continue to permit any sort of alliance and association between private individuals and the Government of the United States in financial operations, we shall have financial troubles. It is the history of the world repeated a hundred times, and always with the same result; and it always will be so, so long as human nature is actuated and dominated by the laws of avarice and selfishness. Whenever you unite the financial and political power of the Government with the interests of private individuals and corporations, you are sowing the wind and will as sure as death reap the whirlwind in the end. There can be no safe operation of any of the powers of Government when connected with individual enterprises.

Hence, Mr. President, I am unalterably opposed to a national banking system of any kind or character or any banking system subject to the supervision or control of the Federal Government. It is wrong in principle, dangerous in practice, and fatal in results. It may be possible for a man to be a Democrat and favor the existence of national banks; it is possible that a man can believe in the Christian religion and wholly reject the divinity of Christ, but I do not understand how it may be so. My theory of Democracy forces me to conclude that it is utterly impossible for a man to be a Democrat and at the same time believe in the principle of national banks; it may be possible that a man can be a Democrat and believe in a protective tariff, but to my mind the proposition is an impossible one.

It may be possible that a man may be a Democrat and loyal to the Constitution of his country and at the same time believe in a single gold standard, in the very teeth of the Constitution. Yet I confess that to me the proposition is a doubtful one. He may believe in a national bank and be a good citizen; he may believe in the protective tariff and be a good citizen; he may believe in the gold standard and be a good citizen; but to believe these things and be a good Democrat is to my mind incompatible. There may be harmony between good and evil, but I do not understand it. There may be no conflict between right and wrong, but I do not so understand it. It may be that there is no antagonism between virtue and vice, but I am unable to so understand it.

In my judgment the theory of national banking of any name or nature is contrary to every principle of Democracy; contrary to every Democratic platform that was ever written, and no instance can be found, so far as my knowledge goes, where a Democratic convention, State or national, has ever declared in favor of national banks. In my judgment the principle of national banks is absolutely at variance with the letter and spirit of the Constitution, as truly and completely so as is the right to protection for protection's sake. I have heard it said that there is a very great difference between our present national banking system and the old national bank of 1816. As a matter of course there were differences in the two systems, but in principle they were precisely the same. In my judgment the existence of any national banking system is contrary to the genius and spirit of our institutions and at war with the history and traditions of the Democratic party.

It is a constant menace and challenge to the financial operations of the Government itself. At every turn it challenges the safety, security, and happiness of the people. There is but one safe method to pursue in order to preserve our liberties and the rights of the people and the safety and security of the Government itself and that is to perpetually divorce the Government from all banking operations.

Mr. MCPHERSON. Will the Senator yield to me for a question?

Mr. MARTIN. Certainly.

Mr. MCPHERSON. The Senator knows very well that the system of national banks is one which the Democratic party have inherited. They are really not responsible for it as a party, and I should like to ask the honorable Senator, inasmuch as we have no other appliance, no other machinery for banking today, except that of national banks, and as we must have something to meet all the mutations of confidence and credit—is it not the safest and best course to maintain the national banking system until we find something else to take its place?

Mr. MARTIN. Mr. President, I take great pleasure in answering the question of my friend from New Jersey, because I have great respect for his opinions and character, and I am glad the suggestion I made brought him to his feet, for I want to get him out of the slough of despond and place him on safe Democratic ground. The Senator says, and says properly, that the existence of national banks is a matter for which the Democratic party is not responsible. He is right in that. They seem to have grown out of the conditions that appeared to make them necessary at the time they were instituted, but in my judgment it was a deliberate violation of the Constitution, a violation of every principle of sound government, financial and political.

The PRESIDING OFFICER. The Chair suggests to the Senator from Kansas that unless he addresses the Chair it is impossible for his remarks to be heard.

Mr. MARTIN. I thank you, Mr. President, for the suggestion. I shall endeavor to conform to it hereafter, but I was deeply interested in answering the question of my learned friend from New Jersey, and inadvertently turned my face his way. As a further answer to the Senator from New Jersey, I say unhesitat-

ingly that I believe the wisest and best thing the Democratic party can do is to repeal the entire body of our national banking laws, and the quicker this is done the better. And while it is true that the national banking system is an inheritance for which the Democratic party is not responsible, the party is not bound to accept the inheritance or to become chargeable for its longer continuance. It is better for the public interest that we reject a bad inheritance at the earliest possible moment, and be thereby relieved from all responsibility for its further existence.

I understand and appreciate the fact that an immediate and utter destruction of all national banks would produce some inconvenience and trouble. Nevertheless the laws can be immediately repealed, saving to existing banks the right to continue in business until the expiration of their present charters, so that no additional banks can be hereafter organized. And while it is true that the plan suggested might cause some financial disturbance, the permanent dangers to result from their continued existence would more than counterbalance any temporary inconvenience. If the body be afflicted with a cankering sore, the sooner the sore is removed the sooner the body will be restored to a sound condition. Whatever conditions of a dangerous and perilous nature we find existing in the body politic, wisdom and prudence dictate that they should be removed at the earliest possible moment.

The Senator from New Jersey [Mr. McPHERSON] asks me what agency I would substitute for national banks. I answer that, while I am not what is sometimes termed a "flat-money" man, I do believe in gold and silver, the constitutional money of the United States; and I believe it perfectly competent for Congress to authorize the issue and use of the old-fashioned Treasury notes. I do not believe that the United States or any State can make anything except gold and silver a legal tender for the payment of debt, notwithstanding the judgment of the Supreme Court of the United States to the contrary. However, as a good citizen, I accept the judgment of the court in that behalf as final and conclusive.

I accept this judgment of the court as I do many others that have been made. I do not believe that by judicial legislation immortality and individuality can be given to a corporation, thus clothing it with the rights of constitutional citizenship. Nevertheless we accept the decision as a fact and yield respectful obedience to the decree. I do not believe that a public officer of the United States, in the discharge of a doubtful public duty, or otherwise, can deliberately kill another citizen and be exempt from trial or other responsibility to the laws of the State in which the killing occurred.

To my mind the proposition is a monstrous one, and emphasizes the dangers of "judicial legislation," and the natural tendency of judicial tribunals to cling to power and grasp at jurisdiction. I would substitute for national banks gold and silver, and Treasury notes issued by the Government of the United States in the ordinary transaction of its business, and in accordance with the provisions of the Constitution. And if local banking institutions are convenient and necessary for the transaction of the business of the country, as I think they are, I would leave

the matter of their establishment and regulation to the several States. The people of the several States are certainly capable of regulating their financial affairs in a safe and convenient manner. And one supreme advantage in the establishment of State fiscal institutions would be the decentralization of the money power in the United States.

A few days ago the Senator from New Jersey [Mr. McPHERSON] declared from his seat in this body that he was "opposed to converting the Treasury Department of the United States into a junk-shop." I agree with him on that point. I do not believe it any part of the duty of Congress to authorize the purchase of either gold or silver for any purpose. I do not think that Congress possesses any more power to establish a depository for gold and silver than it has to establish a depository for corn or wheat or cotton. Hence I have always opposed and am still opposed to the principle involved in what is known as the Sherman silver-purchasing act. I believe it is the purpose of the Constitution that Congress should coin money and regulate the value thereof, and of foreign coins, and not establish a depository for the reception of the same.

I believe it was the intention of the framers of the Constitution that the money of the country should be gold and silver, and that it should be coined upon terms of equality, without limitation or condition so far as the amount is concerned. Beyond this, I am in favor of the restoration of the old-fashioned democratic system of using Treasury notes or greenbacks, and I believe the Constitution authorizes and justifies the issuance of such notes, and to such an extent as may be necessary to meet the wants of the Government and to accommodate the commerce and business of the country.

I do not share the opinion that has been so frequently expressed in the Senate that the free and unlimited coinage of silver would produce too much money. I believe that the great commerce of this country will justify the coinage of every ounce of silver at the present ratio of 16 to 1 that can be produced in this country or elsewhere. Other gentlemen think differently. I respect their opinions. I may be mistaken. I may be right—I think I am—nevertheless it may be that I am wrong and that our Eastern Democratic brethren may be right. This is a matter that can only be determined by time and experience. I have not observed anything in the past history of the country that will induce me to believe that there is any danger to be apprehended from the free and unlimited coinage of silver.

I admit that there are arguments and conditions which should be fairly considered on both sides of this question. That there is a conflict between the East and the West and the East and the South in regard to this matter is manifest. It is not only a conflict of opinions, but it is a conflict of interests. And because it is a conflict of interests, a conflict between debtor and creditor, a conflict between borrower and lender, the greater the reason why some fair and honorable settlement should be made of this vexed question.

Mr. MCPHERSON. The Senator is sure he is right on the greenback question?

Mr. MARTIN. There is no doubt about that.

Mr. MCPHERSON. The Senator acknowledges that he may be wrong on the silver question, but on the greenback question he knows that he is exactly right.

Mr. MARTIN. Yes. I am absolutely certain that I am right on the greenback question. I think I am right on the silver question. But I mean to say that there is a possibility of my being wrong respecting the unlimited coinage of silver at present. I do not believe, however, that the Senator from New Jersey and myself will disagree upon the question of the constitutional demand and requirement for the use of both gold and silver as money. Nevertheless, I understand the Senator from New Jersey to be opposed to the further coinage of silver at present under any conditions; while I am in favor of the continued free and unlimited coinage of silver at its present ratio. If I am correct in stating the position of the Senator from New Jersey, it would seem that he is in favor of legislating silver money out of existence, in violation of the letter and spirit of the Constitution.

But in view of the wide differences of opinion that exist at present respecting the coinage of silver upon the theory that I have suggested, and for the sake of producing harmony and peace in the ranks of the Democratic party, and throughout the country, and out of a due regard for all the interests involved, I should be willing to accept, in lieu of the present bill, any compromise measure that would be reasonably fair and just to all sections of the country. If it shall be the general judgment of Congress that the free and unlimited coinage of silver at the present ratio of 16 to 1 would be dangerous, and would likely imperil the business interests of the country, at an early day I am willing to accept, for the time being, some other fair ratio.

I am frank to say, however, that in my judgment the mere matter of ratio plays but a small part in the solution of this question. If it shall be the general opinion of Congress that the unlimited coinage of silver would endanger the business interests of the country, then in the interest of peace and for the purpose of doing justice to all sections of the land and dealing fairly with all the interests involved, I would accept, for the present, a limitation of the amount of coinage per month or per year. No man can say with an absolute certainty what would be the result if either or any one of the suggested plans were adopted. We can learn from experience alone what the result will be.

What I am particularly contending for, Mr. President, is an unmistakable vindication and establishment of the constitutional doctrine of the free coinage of silver. I am anxious to get rid of the false and pernicious doctrine that has embarrassed and paralyzed and uniformly discriminated against silver as money since 1873. At that time it was wickedly, unjustly, unfairly, and unconstitutionally stricken down in the house of pretended friends; destroyed as a money metal and relegated to the domain of commerce. And this is the material fact that has contributed from thence to the present time to the supposed depreciation of the value of silver. And I undertake to say, and without fear of successful contradiction, that if both metals had been continuously treated in the constitutional manner as money metals upon

a basis of equality and fairness and without discrimination for or against either, that no such disparity in value would exist as we find to-day.

It is simply absurd to say that silver is worth as money only so much per ounce as compared with gold. In a commercial sense that is true. In a money sense it is not true, and never has been. It is true because by unjust, unwise, unfair, and unconstitutional methods, silver has been discriminated against, and gold made the favorite metal. If our financial policy had been reversed in 1873 and gold destroyed as a money metal as silver was, and made practically an article of commerce, and silver had been made the standard of value and receivable in the payment of all debts public and private—in other words, if silver instead of gold had been made the money of the country, no such difference would have existed between the value of gold and silver as we find to-day.

Upon the contrary, the advantage would have been on the side of silver, because of the fact of this favored legislation. The value of any metal as money depends largely upon the extent of its usability; and the decree of government fixing its legal status and the extent of its usability in payment of all debts public and private—in other words determining its legal-tender quality—is more potent and effective than any merely supposed value of the article itself. As a matter of course I am now speaking not of paper but such metals as are generally recognized by the civilized and trading nations of the world as money metals.

Mr. MCPHERSON. If the Senator will pardon me—

Mr. MARTIN. Certainly.

Mr. MCPHERSON. I know that the Senator's Democracy is of the cordial, ardent, and energetic kind. I should like to ask the honorable Senator what he would recommend to a Democrat—such a Democrat as I have just described—who would violate the very terms, conditions, and demands of the Democratic platform, made in national convention assembled by the Democratic party, demanding that if we shall proceed to coin money from the two metals, gold and silver, they must be intrinsically and exchangeably equal? The Senator speaks of "coining" at the rate of 16 to 1, when to-day it requires 28 pieces of silver to 1 of gold to make them intrinsically and exchangeably equal. He certainly would not want me to violate the platform to that extent?

Mr. MARTIN. Mr. President, I feel it not only a duty but a pleasure to answer the question of my friend, the Senator from New Jersey. He asks what I would do with such a Democrat as he is, who believes as he does. The first thing I would do would be to induce him to repent, believe, and be baptized. Then his political and financial sins will be forgiven. The Senator speaks of the impossibility of coining silver and gold upon terms of equality, because he claims that to-day it requires 28 pieces of silver to 1 of gold to make them intrinsically and exchangeably equal.

Mr. President, as a commercial proposition the statement of the Senator may be true. As a monetary proposition it is not true. Because, as a matter of fact, every silver dollar that has ever been issued by the American Government and every silver

certificate that has ever been issued by the Government, whether redeemable in coin or bullion, is for all monetary and exchangeable purposes worth 100 cents on the dollar, measured by his gold standard, in every spot on the American Continent. So that his proposition as a statement of monetary conditions is not correct. The commercial difference exists largely for the very reasons I have already mentioned, and those reasons are: Because, of the universal use and debt-paying power accorded to gold by law, and the unwise and unjust and unfair limitations imposed by law against silver in the limitation of its use and debt-paying power. And if the laws of the country would place the two metals upon a plane of equality, so far as their coinage and use as money metals and debt-paying power is involved, no such difference in value as suggested by the Senator from New Jersey would or could possibly exist.

I am also glad, Mr. President, that the Senator has called my attention to the demands of the Chicago Democratic platform upon this subject. I listened a few days ago with deep interest to his interpretation of the Chicago platform and its demands. I do not know whether my friend from New Jersey is a lawyer or not. But judging from the course of his argument the other day, I infer that he is not. I also listened a few days ago to the very able argument of the distinguished Senator from Delaware [Mr. GRAY] upon this same question; and I always pay more attention to the remarks of the Senator from Delaware than almost anyone else, for the reason that I have the very highest estimation and appreciation of his judgment, character, and fairness.

And I must confess that I was somewhat amazed at the construction placed by my friend from Delaware upon the Democratic platform. As a matter of course, his argument was happy, agreeable, and interesting, as everything he says is, but it reminded me of a distinguished judge, who upon one occasion heard a very distinguished lawyer argue a case before him. And after the lawyer had concluded the judge was asked by a brother attorney his opinion of the argument to which they had listened. The judge replied by saying that he had never heard in all the course of his life so much bad law so pleasantly stated in the same length of time. It occurred to me that that was the exact condition of the argument of my friend from Delaware.

Mr. President, I have the Democratic platform adopted at Chicago last year before me. I have read it with care, and have endeavored to ascertain to the best of my ability what it means, and I think I have fairly succeeded in that respect. In their speeches in the Senate a few days ago the Senators from Delaware [Mr. GRAY] and New Jersey [Mr. MCPHERSON] insisted that we must pass this bill in its present shape and without condition, because the fifth subdivision of the Democratic platform distinctly and unconditionally demanded the repeal of the purchasing clause of the Sherman act. I deny this. There is no such demand contained in that section or any other section or subdivision of that platform.

In the first place, one would naturally assume that in the formulation of that platform, those matters that were regarded as the most important would be the first treated of; and that all

public policies would be considered in the platform in the order of their importance. This is a fair rule of interpreting any statute, contract, or written document. If we adopt this rule of interpretation and apply it to this platform, we find that the Democratic national convention did not attach the importance to the Sherman law that the friends of the present bill claim. If the repeal of the purchasing clause of the Sherman act was regarded as so vital and important to the welfare and interest of the country, it would undoubtedly have been the first proposition considered in the platform, certainly the second. Upon the contrary, it is the fifth proposition.

Now, this method of argument, as a matter of course, is not conclusive; but it is nevertheless a potential factor, and one that must be taken into consideration in the determination of the amount of importance attached to the Sherman law by the Chicago convention. If it be true that the convention regarded the Sherman law or the purchasing clause thereof as being so dangerous as to challenge the welfare of the country and imperil its financial interests and industrial conditions, it is but fair to say that it would have been the very first subject treated of in the platform. But it was not. Tariff reform was by that convention regarded as of paramount importance. Opposition to Federal election laws was of supreme concern. But the Sherman law was relegated to the position of fifth in line of importance in the judgment of that great convention. Mr. President, my friend from New Jersey, and every other Democrat who participated in the campaign of 1892, knows as a matter of fact, that the great, overshadowing issues in that campaign were, first, the repeal of the McKinley law; second, the prevention of any force-bill legislation by our Republican friends.

The money question was discussed but little, if any, in New England and in the Northern States east of the Allegheny Mountains; but it was discussed and thoroughly considered in the southern, southwestern, and western part of the Union. And these sections of the Union were as deeply and as vitally interested in the money question as they were in the subject of tariff reform and in opposition to Federal election laws. And I may here add, that in my judgment, if the candidate of the Democratic party had at any time during that campaign written a letter or made a statement respecting his financial views, of the character embodied recently in the letter written by him to the governor of Georgia, or if the Democratic party at Chicago had assumed that position in its platform, or if the Democratic campaign orators throughout the country generally had made such speeches upon the silver question as we have had from the Northeastern Senators in this Chamber within the last two months, the Democratic party would have been utterly defeated.

If, during the last campaign, the Democratic party had assumed the position upon the money question now occupied by the Senator from New Jersey and those who act with him, Benjamin Harrison would to-day be President of the United States. Mr. President, in further answer to the question of the distinguished Senator from New Jersey [Mr. MCPHERSON], I repeat that in the construction of laws, of contracts, and agreements affecting the rights and interests of States or individuals, the natural

and logical order of procedure would be to put in the foreground those things which are deemed fundamental; to name first the pivotal facts, around which details must cluster. Fundamental purposes are always placed in the beginning of the contract, statement, or agreement, while the incidental conditions take their places naturally and orderly in the subsequent parts of the contract or agreement. The Sherman law occupies no such important relation to the Democratic platform.

It is further insisted, Mr. President, by some of the friends of this bill that the different parts and subdivisions of the several sections of this platform must be separated one from the other; that each section contains many subdivisions, and that each must be treated as an independent proposition. One may be enacted to-day, another to-morrow, and a third some other day, and thus, by piecemeal, the contract may be enforced. I am amazed that a lawyer would advance a proposition of this kind. It is unsound in law, wrong in morals, and unjust in enforcement. To interpret a law, contract, or agreement upon such a basis would not be tolerated in any court of justice anywhere. In the first place, in the formulation of that platform, and particularly in the formulation of the fifth section, the Democratic party sought to announce a financial theory, a plan, a scheme of finance.

The reference to the Sherman law is incidental—not the basis of a financial scheme, and the plan was intended to be executed as a whole; not in parts, not in subdivisions, not by paragraphs. And this is manifest from the very language of the section. Good faith, common fairness, homespun honesty, require that the Democratic party and the Democratic members of Congress and the Democratic Executive of the nation shall construe this section of the platform according to its letter and in harmony with the manifest will and wishes of the convention that framed it. In the first place, and it has been repeated over and over again, that the Democratic national platform unequivocally demanded the repeal of the Sherman law; and I have even heard it stated that “the Democratic national platform demanded the immediate and unconditional repeal of the purchasing clause of the Sherman law.”

I deny that the Democratic national platform makes any such demand. There is no such declaration in it. Not a word to be found that justifies any such conclusion. In fact, there is no declaration or demand of that kind to be found in any part of the platform. And I am unable to understand why it is that able and distinguished men of long experience and service in this body should have fallen into the habit of making such statements. But, as a matter of fact, what does the platform say upon this subject? I will read, and comment as I proceed:

We denounce the Republican legislation known as the Sherman act of 1890 as a cowardly makeshift, fraught with possibilities of danger in the future, which should make all of its supporters, as well as its author, anxious for its speedy repeal.

Mr. President, this great convention of the greatest political party on earth, the greatest political party that ever existed, met in the city of Chicago in national convention in June, 1892. Up to and at that time no Democrat in or out of that convention—not

even the Senator from New Jersey [Mr. MCPHERSON], who was a member of the convention—had discovered that there had been any unusual dangers or perils in the operations of the Sherman law. Nor had the convention or the Senator from New Jersey up to that time discovered that it was fraught with a then present danger of any kind. All that the convention said, all that the Senator from New Jersey said (because he was a member of the platform committee and agreed to the proposition which I have read) was that the act was a—

cowardly makeshift, fraught with possibilities of danger in the future—

Not that it had produced any danger; not that any evils had resulted from it; not that any were then threatened, but simply that it was—

fraught with possibilities of danger in the future.

There was not a word or sentence in that platform condemning the Sherman law because of any evil results it had produced. There is no declaration to be found in the platform that it was even likely to produce dangers or disaster in the future. The sole declaration was that it was—

a cowardly makeshift, fraught with possibilities of danger in the future.

Mere possibilities, and nothing more. I have heard it repeated in this Chamber over and over again that the Democratic party has placed itself on record condemning the Sherman law as being the cause of all our financial disaster. I deny that the Democratic national convention said a word of the kind. There was nothing in the platform from beginning to end that justifies, wholly or partially, the statement.

Mr. President, I agree with the platform that the Sherman act of 1890 was a "cowardly makeshift." It was a cowardly attempt to evade political responsibility. It was a dishonest effort to save the Republican party from defeat in the election of 1892. It was a wicked and cruel measure, designed in part and by at least a part of those who voted for it, to complete the scheme begun in 1873 of utterly destroying silver as a money metal in this country.

And, Mr. President, I denounce the bill now under consideration as another cowardly makeshift to undo in part the wrongs of the former "cowardly makeshift," and for the further wicked and unjust purpose of forever and eternally eliminating silver as a part of the constitutional coinage of this country.

So, Mr. President, up to the time that that platform was reported to the convention for adoption by the appropriate committee, and of which committee my distinguished friend from New Jersey was a member, and in whose deliberations he participated, and in the presentation of the platform to the convention he was a party and for which he voted, neither he nor the convention nor anyone else had ever heard, suspected, or believed that the Sherman law had produced any serious financial disaster, or immediately threatened trouble in the United States. No one had discovered the fact that it was liable to imperil the business industries of the country, or that we were standing upon the brink of bankruptcy and ruin. But the convention said that the law was "fraught with possibilities of danger in the future," not that it was certain to produce any disaster or

trouble; not that it was surely liable to do so; not that it would naturally or logically bring about any of the wrongs at present laid at its door, but that it was simply "fraught with possibilities" of such danger.

I agree, Mr. President, with that declaration. I believe that it is a bad law in every sense of the word and in every aspect of it. I believe that it is "fraught with possibilities of danger," but not of the kind or character or for the reasons suggested by the friends of the pending bill. It is fraught with the certain danger of impairing the usefulness and value of silver as a money metal. It was designed for that purpose. It is fraught with the danger, necessarily, of forcing the Government to depart from the constitutional method of treating silver as money. It is fraught with the possibility of ultimately destroying silver as a money metal, to the immeasurable hurt of the great body of our fellow-citizens not engaged in banking, stock gambling, and kindred pursuits. The platform further says that the law is—

a cowardly makeshift, fraught with possibilities of danger in the future which should make all of its supporters, as well as its author, anxious for its repeal.

Mr. President, I am not one of its supporters. I never have been. I am not its author. No Democratic Senator on this floor was its author. No Democratic Senator on this floor is its supporter, and none ever was. It occupies, in the legislative history of this country, the unique position of having neither friend, guardian, nor defender, and no one seems to be willing to assume the role of father; and I apprehend that but few, if any, would be willing to be recognized as its mother. As to the question of its paternity, that must be referred alone to the distinguished Senator from Ohio [Mr. SHERMAN.] So much, Mr. President, for the Democratic national platform and the Sherman act of 1890.

The next declaration in the platform reads:

We hold to the use of both gold and silver as the standard money of the country, and to the coinage of both gold and silver without discrimination against either metal or charge for mintage. But the dollar unit of coinage of both metals must be of equal intrinsic or exchangeable value, or be adjusted through international agreement or by such safeguards of legislation as shall insure the maintenance of the parity of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts. And we demand that all paper currency shall be kept at par with and redeemable in such coin. We insist upon this policy as especially necessary for the protection of the farmers and laboring classes, the first and most defenseless victims of an unstable money and a fluctuating currency.

So, Mr. President, we find that this convention declared in favor of the—

use of both gold and silver as the standard money of the country.

This is sound Democratic doctrine. It places the party in harmony with the Constitution, in harmony with its history and traditions.

The Constitution says that Congress shall have the power to—  
coin money, regulate the value thereof and of foreign coin; and no State shall make anything but gold and silver coin a tender in the payment of debts.

These constitutional provisions are alike binding on Congress and the several States of this Union.

The platform says:

We hold to the use of both gold and silver as the standard money of the country.

Not to gold as the standard, not to silver, not to either metal partially or wholly, not to either one alone, but to both. They walk hand in hand, as faith and charity. They are as closely allied as truth and justice. And they are bound as closely and as perpetually together by constitutional ligament as were the "Siamese twins," and no casuistical reasoning or metaphysical quibbling can ever separate them.

Mr. President, in the interpretation of the law and of contracts and agreements and all papers of a like character we must apply broad and comprehensive rules, not narrow, illogical, or technical reasoning, rules free from quibbling and broadly and comprehensively in harmony with the great objects and purposes to be attained—justice, right, and the public good. We must interpret the words contained in such laws, contracts, and agreements agreeably with their common and ordinary acceptation amongst men. The sense of the whole must be expressed as men usually express their thoughts, their wishes, their purposes—in the plain, ordinary language of the country. This is the rule of interpretation that the law fixes. In addition to that, the law requires as a universal rule that in the construction of laws, contracts, and agreements the whole of a paper relating to any particular subject—the whole of the law relating to any particular matter—shall be construed together; that is, as a whole, in order to gather the full meaning and purpose and intent of those who are to be bound by it.

It is contrary to every principle of law and justice that one party to a contract containing mutually beneficial conditions and fixing mutual rights shall be permitted to enforce such contract against the other party in such manner as to exclude such other party from presenting and litigating, in the same suit, his corresponding rights under the same contract. Under the same law, each man must have his day in court, each in the same suit to prosecute and defend whatever rights each may have against the other. To permit one neighbor to enforce the provisions of a mutual contract against another neighbor without permitting such other neighbor to enforce other provisions of the same contract against his adversary, would be unconscionable and unjust.

The Senator from North Carolina [Mr. VANCE] aptly and truly stated, in his recent speech in this body, that the fifth section of the Democratic platform was intended to formulate a Democratic policy as a whole; to fix a financial scheme and theory, to be applied in the administration of the Government. And that in justice and fairness this financial plan should be adopted as a whole, not by piecemeal, not by "cowardly makeshifts" dealing with one item at a time. And in this the Senator was correct. Such piecemeal legislation is neither wise, prudent, nor patriotic. It is essentially unjust and it is particularly unfair in that class of legislation where it is manifest that justice can only come through compromise and concession.

Mr. President, it is not alone the gold and silver already coined that is to be the "standard money of the country." No man ever dreamed of any such interpretation as that. It would hardly

be fair to impute to any fair-minded man of ordinary intelligence a contention for a construction of that sort. But that convention, Mr. President, meant to include in that declaration not only the gold and silver then in use, but that the coinage of gold and silver should thereafter be continued, and should be used as standard money in the same way. Because it not only declares in favor of the use of both gold and silver as the standard money of the country, but it declares in favor of the coinage—the coinage—

Referring to the future—

of both gold and silver, without discrimination against either metal or charge for mintage.

So good faith requires, and party honesty requires, the contract demands that the gold and silver coin of the country shall constitute its standard money, but that we shall thereafter continue to coin both gold and silver, without discrimination against either metal, or even mint charges, and that such money shall constitute the "standard money of the country." The use of the words "standard money" in this platform means lawful money—money that shall be receivable in the payment of all debts, public and private—it means constitutional money, that is the money that was contemplated by the convention, and it was intended that its coinage should be continued.

Mr. President, as before stated, there are two other rules of construction that are applicable to all written instruments, laws, contracts, or agreements. One is, that the whole and every part of such instrument shall be given force and consideration and that every word and sentence shall be construed to mean something and to mean that which the language used naturally implies. The second rule is that the whole of every part of a contract, statute, or agreement relating to a particular subject must be construed together as a whole in order to give the document under consideration harmony, uniformity, fairness, and justice. Adopting this universally-recognized principle of construction, accepted by every civilized nation on the globe, and applying it to the platform as I have read it, that platform means simply that the Democratic party have declared unmistakably for the continued use of both gold and silver as the standard money of the country; that it has declared in favor of the continued coinage of both gold and silver as the standard money of the country without discrimination against either metal so far as the right of coinage and mint charges are concerned.

The very language used utterly forbids the conclusion that that convention favored in the slightest degree the suspension of the coinage of either gold or silver. There is no inference to be drawn from the language that there was to be a limitation or suspension of the coinage of either metal. Every word used had reference to the future. It had reference to an enlargement and increase of the currency. Every word was a word of encouragement and commendation for the use of both gold and silver. And this is made the more manifest by the further declaration that the two metals should be coined, so as to maintain their parity and the equal power of every dollar, whether gold, silver, or paper, at all times in the markets and in the payment of debts. These were the only limitations placed upon it.

Now, my friend from New Jersey says that it is impossible that gold and silver, under present conditions, could be made of equal intrinsic and exchangeable value. The platform recognized the fact that there was a possibility that that exact condition might occur. So it provided for it, and has expressly declared that—the dollar unit of coinage of both metals must be of equal intrinsic value or be adjusted through international agreement or by such safeguards of legislation as shall—

Do what? Make them of equal intrinsic and exchangeable value? Not at all. But the platform proceeded to say—

by such safeguards of legislation as shall insure the maintenance of the parity of the two metals, and the equal power of every dollar at all times in the markets and in the payment of debts—

and—

the parity of the two metals—

means simply the equal money use of the two metals. And this fact is emphasized by the further requirement that every dollar shall at all times—

be equal in the markets and in the payment of debts.

It is therefore clear that the Democratic convention meant to say that both gold and silver should continue to be coined so long as they were capable of performing the office of money in the markets and in the payment of debts.

The VICE-PRESIDENT. The Chair desires to call the attention of the Senator from Kansas to the fact that it is impossible for the reporter to hear his remarks.

Mr. MARTIN. Mr. President, I am so deeply interested in reclaiming my friends on the Jersey coast that I can not resist the temptation to turn and talk to them occasionally; but I shall endeavor to observe the suggestion of the Chair.

Is it not a fact, Mr. President, that every dollar of currency that we have to-day, whether of gold, silver, or paper, is precisely the kind and character of money demanded by the Democratic platform?

I hold in my hand a ten-dollar silver certificate, redeemable by the payment of ten silver dollars. Is it not true that this silver certificate is worth 100 cents on the dollar, and is daily performing the office of money at that rate? That is precisely what the Democratic platform demands that it shall do. I hold in my hand a ten-dollar gold piece. In the markets of the country and in purchasing power and in debt-paying quality, is it not precisely of the quality and value as money as the silver certificate—nothing more, nothing less? I hold in my hand ten silver dollars.

Is it not a fact, beyond question, that these ten silver dollars, in purchasing power in the markets of the country, and for all money purposes, are each worth 100 cents on the dollar? Is it not a fact that these ten silver dollars will purchase as much of every article, will pay debts as readily, and be receivable in the discharge of every legal obligation of every kind and character in any quarter and locality on the American continent as the ten-dollar gold piece that I last exhibited? This is certainly true. If so, these facts constitute a literal compliance with the demands of the Democratic platform.

So, Mr. President, all this cry that we hear about the "cheap dollar," and the "dishonest dollar," and the "60-cent dollar," is pure demagoguery and without foundation in theory or fact. The fact is, Mr. President, we have no "cheap" money in this country. We have no inequality of money. Every dollar that we have, whether of gold, silver, or paper, for all practical purposes, and in purchasing and debt-paying power, is the equal of every other dollar. And this particular fact is of more real value in the determination of the question now under consideration than all the metaphysical reasoning of a lifetime. When we have in use three classes of money, each possessing the same purchasing power, the same debt-paying power, each performing the same office as money in every market in every locality on the American continent, I submit that it is utterly useless, foolish, and absurd to waste time in the consideration of mere abstractions. No man makes complaint that our money is worthless. No man refuses to take it in exchange for any property or article of merchandise that he has for sale. No man hesitates to accept it, whether of gold, silver, or silver certificates, in the payment of any debt or obligation due him.

There is no complaint from any quarter that we have too much money. Upon the contrary, it is generally conceded that the supply of our money is inadequate to the business demands of the country. Hence it is a waste of time to listen to essays as to what may possibly happen in the future. The dangers that are supposed to lie in front of us are not apparent to the ordinary observer. No facts or conditions exist to warrant the belief that any such perils confront us.

The Senator from Delaware [Mr. GRAY] and others have advanced the theory that the Democratic platform does not warrant the conclusion that our financial policy shall be established and formulated in one bill. He admits that it might be done by one bill or two or half a dozen. To a certain extent I agree with the Senator.

But I submit, Mr. President, that by no fair rules of interpretation can it be established that the Democratic party intended or contemplated that its financial policy should be established by piecemeal. The fifth section of the platform must be accepted as a whole as the declaration of the policy to be enacted—not in part but altogether. As a matter of course the details of this policy are not outlined in the platform. General principles simply are announced, and upon this declaration of general principles it was intended that a permanent, broad, and comprehensive financial policy should be formulated and established.

I have shown that there was no distinct demand contained in the platform for the repeal of the Sherman law as a whole or in part; and the demand for its repeal is more a matter for inference than it is of direct statement. Hence good faith, fair dealing, and common honesty demand that whatever legislation is had should be framed so as to protect the just rights of all interests. In politics as well as everything else I believe honesty to be the best policy. I do not believe in temporary makeshifts. I do not believe in evasions, tricks, and schemes that in the end must deceive and defraud somebody. And I repeat what I have

heretofore said, that I believe the pending bill to be so bad, so wicked, so cruel, so remorseless in its provisions, so unjust in its conditions, that I feel justified in resorting to every known constitutional method for the purpose of its defeat. If the Constitution authorizes me to resort to dilatory methods, or filibustering, as it is called, for the purpose of preventing the passage of this bill, I shall not hesitate to avail myself of such methods.

Mr. President, I beg to call the attention of the Senate to certain other facts that I think of some value in the determination of the purposes and meaning of this platform. While it is true that there is no direct pledge or promise made in the platform for the repeal of the purchasing clause of the Sherman act—unconditionally or otherwise—the fair inference to be drawn is that the party was pledged to the repeal of the law as a whole. In that part of the platform treating of tariff legislation there will be found a distinct pledge for the immediate repeal of the McKinley act. In that part of the platform treating of the force bill it pledged the party unequivocally to resist at all hazards any attempts of the Republican party to pass any legislation of that character.

These three facts are of great value in the interpretation of the fifth section of the platform. They prove, first, that the convention attached more importance to tariff legislation and to a resistance to force-bill legislation than it did to the Sherman act. That convention believed, as I believe, that the country was in far greater peril and was likely to suffer more serious disaster from our tariff laws and force-bill legislation than it could or would from the Sherman law. Hence, in regard to the McKinley tariff, "repeal" was the watchword; and in the force-bill legislation "resistance" was the war cry. But, after all, no man supposed then or believes now that the convention meant that the McKinley law should be immediately and unconditionally repealed. In the demand for repeal was involved, necessarily, the idea and purpose of some additional and further tariff legislation as a substitute for the McKinley bill. And if this be true, the argument applies with infinitely greater force in the case of the Sherman law than it does in the case of the McKinley bill. Let me call the attention of the Senate to the declaration of the platform on the subject of force-bill legislation:

Believing that the preservation of republican government in the United States is dependent upon the defeat of this policy of legalized force and fraud, we invite the support of all citizens who desire to see the Constitution maintained in its integrity with the laws pursuant thereto, which have given our country a hundred years of unexampled prosperity. And we pledge the Democratic party, if it be entrusted with power, not only to the defeat of the force bill, but also to relentless opposition to the Republican policy of profligate expenditure, which in the short space of two years squandered an enormous surplus and emptied an overflowing Treasury after piling new burdens of taxation upon the already overtaxed labor of the country.

In this case the convention specifically pledged itself as a party to the defeat of the force bill. In regard to the Sherman law, they simply say that it is so bad that the author and advocates of it ought to be ashamed of themselves and willing to see it repealed. As before suggested, no one supposed that the convention intended to pledge the party to an unconditional repeal of the McKinley law, without a proper substitute of some character.

Let us see what the convention said on the subject of the McKinley act:

We denounce the McKinley law, enacted by the Fifty-first Congress, as the culminating atrocity of class legislation. We indorse the efforts of the Democrats of the present Congress to modify its most oppressive features in the direction of free raw materials and cheap manufactured goods that enter general consumption. And we promise its repeal as one of the beneficent results that will follow the action of the people in entrusting power to the Democratic party.

Here is a distinct promise that it shall be repealed, but no expressed promise to substitute anything for it. In the case of the Sherman act, its repeal is impliedly promised, and in connection therewith we have the positive declaration that the party is in favor of the continued use and coinage of both gold and silver upon terms of equality, so far as mint charges are concerned, and the continued use of both metals as money. By every rule of interpretation, according to every principle of fair dealing, these two propositions must stand or fall together. The language does not admit of piecemeal legislation. It does not warrant the adoption of cowardly makeshifts or subterfuges of any description. And it seems to be bad faith in those Democrats who are now clamoring for the unconditional repeal of the purchasing clause of the Sherman act and who refuse to offer us any financial relief or to provide any money system in its place.

To show that I have correctly understood and properly interpreted the Democratic platform, I propose to read from Mr. Cleveland's letter of acceptance. This letter, like all of Mr. Cleveland's state papers, is clear, terse, strong, and manly. It shows that Mr. Cleveland understood this platform then as I understand it now. He says:

The people are entitled to sound and honest money—

That is correct. Such "sound and honest money" is the gold and silver and silver certificates that I have exhibited to the Senate to-day. Sound and honest money is that sort of money that will pass current in all the various business transactions of life at 100 cents on the dollar—that will be accepted as a medium of exchange in the purchase and sale of every species of property. It is that sort of money that will be receivable in the payment of every debt that any citizen of the Republic owes.

It means that sort of money that the merchant will accept at 100 cents on the dollar for all his goods, wares, and merchandise; that will buy every foot of land on the American continent; that has built every ship that floats on the ocean; that has constructed every railroad that gridirons the continent; that will buy every bushel of wheat, every pound of pork, and every article of commerce that is vended in the markets of the land. It means that kind of money that has the confidence of the people amongst whom it is to circulate. It is the exact kind and character of money that constitutes the sole circulating medium amongst the people at this hour. The letter adds:

abundantly sufficient in volume to supply their business needs. But what ever may be the form of the people's currency, national or State, whether gold, silver, or paper, it should be so regulated and guarded by governmental action or by wise and careful laws that no one can be deluded as to the certainty and stability of its value. Every dollar put into the hands of the people should be of the same intrinsic value or purchasing power. With these conditions absolutely guaranteed, both gold and silver can be safely utilized upon equal terms in the adjustment of our currency.

When Mr. Cleveland wrote this letter he contemplated the continued growth and development of our country, the increase of its commerce, internal and external, and the continued growth and prosperity of our people. He contemplated the fact that this increased trade and commerce would necessarily demand and require a continual increase in the volume of our circulating medium. Mr. Cleveland appreciated the fact that the American people were steadily and rapidly growing in wealth, in intelligence and population, and in power; that the field of our enterprise and energies is being constantly enlarged and developed. He appreciated the fact that for the development of these conditions there would be an increased demand for the use of a greater volume of money, and that as the people themselves increased in intelligence and progressed in social conditions their demands for better food, better clothing, better social advantages, and more of the luxuries of life would be likewise increased.

The people, therefore, were entitled to a "sound and honest money," and a continued increase of it to meet their business demands. And hence he declared that it was immaterial what kind of money we had, whether gold, silver, or paper, so that its certainty and stability of value was established, and that every dollar of it should be of the same intrinsic value or purchasing power. The words "or purchasing power" employed by Mr. Cleveland in his letter of acceptance, make clear beyond doubt the meaning of the Democratic platform. As between gold and silver, strictly speaking, there could be no such thing as equality of intrinsic or exchangeable value. It was the money value, not the commercial value, of gold and silver that was meant in the platform, and this proposition was made clear by Mr. Cleveland in the use of the words "or purchasing power."

Hence, so long as the purchasing power of gold and silver coin could be maintained at any given standard, that was all that was contemplated, expected, or hoped for. It was the present silver dollar and the present gold dollar that was under consideration. It was the coinage and continued use of this silver dollar that was referred to by the convention and its nominee. And if any gentleman in or out of this Senate can establish the fact that the purchasing power of the present silver dollar or the present silver certificate is not equal to 100 cents on the dollar as compared to the gold standard, or any other standard, then I am ready to vote for a change of ratio in order to preserve the parity of the two metals as money.

Mr. President, the Democratic party in its national platform, by history and by tradition, is unequivocally committed to the continued coinage and use of both gold and silver as a part of the currency of the country. In June, 1892, in national convention, it solemnly pledged itself to this policy. I do not believe that any conditions or circumstances have occurred since that time that can justify the party in disregarding these solemn pledges. Good faith, fair dealing, common honesty, and good citizenship demand an absolute and unconditional redemption of those pledges. No evasion, subterfuges, or false pretenses will be accepted by the people as a condonation of broken faith. If this Democratic Congress fails to keep in good faith these

party promises; if we shall deceive the people; if we shall disregard and disappoint their just and reasonable expectations by any subterfuges, schemes, tricks, or devices, or cowardly make-shifts of any name or nature in regard to this money question, an independent and outraged people will visit swift and sure punishment upon us.

If the Democratic party deliberately proves false to the great trust that has been committed to its keeping, if it fails, neglects, or refuses to redeem in good faith its honest pledges—if it shall fail to keep faith with the people—very soon the places that know you now will know you no more forever. Platforms are supposed to be declarations of governmental principles and policy to guide the action of political parties, and the successful party stands pledged to the redemption of its promises.

A political party is as truly bound to keep faith with the people and execute in good faith its covenants and agreements as a business man is required to keep and perform his business engagements; a failure or refusal to do so ought to incur the penalty of political death. And the burial place of such party so faithless should be marked with a monument of shame having engraven thereon the history of its violated pledges and broken promises as a warning to its successors.

Mr. President, permit me to submit a few words of warning to my Democratic friends who are clamoring for the unconditional repeal of the purchasing clause of the Sherman act. You may accomplish this repeal, and after that what? After death comes the judgment. You can not carry through this Senate unconditional repeal without the aid of your Republican allies. This unholy alliance is temporary. The day of parting will soon come. After this bill has been passed other matters will engage the attention of this body, such as tariff reform and the repeal of the Federal election laws, and then your allies will utterly abandon you.

By accepting their aid and assistance you have been placed in the uncomfortable position of having failed to keep your party pledges. After this will you be in a condition to redeem other solemn pledges that you have made? I think I hazard nothing in saying that your temporary friends who are now crying "Crucify him! Crucify him!" will very cheerfully and gladly resort to obstructive tactics, even to the supposed wrong of filibustering, in order to defeat your measures. If you fail in these important matters may not the Democratic party become a thing of the past—simply a memory and nothing more?

Mr. President, I deeply fear these gloomy consequences, and hence my anxiety that financial and all other legislation that shall take place under the present Administration shall be distinctively Democratic. For the first time in thirty years the Democratic party has been intrusted with the executive and legislative powers of the Government. The present is a splendid opportunity for demonstrating our capacity for governmental administration in the interest and for the benefit of the people. The occasion demands that all personal ambition should be hushed; that all conflicting interests should be harmonized; that the voice of the people and their interests shall be heard. So far you have not listened or given heed to the "still small voice"

of the people. We have heard the clamoring from Wall street and the frantic appeals from the money-changers and the selfish demands of special interests, but nothing from the great mass and body of toilers and producers of the land; "the hewers of wood and the drawers of water" have so far had no day in court.

But, Mr. President, if we violate the Democratic platform by the passage of this cruel and unjust bill, in due time the voice of the people will be heard, and in a tone and manner that can not be mistaken. In my judgment, if the question of unconditional repeal of the Sherman law were submitted to a direct vote of the people of the United States at this hour, or at any time hereafter, there would be a majority of millions against it. In support of your proposed action the bankers and their dependents, stock-gamblers and their associates, the money-changers and their allies and all those attired "like Solomon in all his glory, but who toil not, neither do they spin," have by falsehood and misrepresentation attempted to create a public opinion in favor of your proposed action. They have suborned the public press.

By object lessons they have wronged and outraged those dependent upon them for accommodation and advantage; but the public opinion they have created lives alone in the atmosphere of its creation. They and their agents throng the corridors of the Capitol. They importune Senators and Representatives. They whisper their stories in the ears of cabinets. And while they may achieve a temporary success, a day of reckoning will come. The great body of our countrymen, the plain people, the men who work and labor and produce, the men who toil and sweat and create our wealth and substance, will yet be heard from on this subject; and when that day of reckoning comes they who have stood in the way of their will, who have opposed their interests, who have disregarded their cries, who have been deaf to their appeals, will be crushed between the "upper and the nether stones."

Mr. President, during the discussion of this bill, I have frequently heard the silver dollar referred to as a "60-cent dollar." I know of no such dollar. Does any gentleman in this Chamber know what a "60-cent dollar" is?

Mr. PALMER. Mr. President—

The PRESIDING OFFICER. Does the Senator from Kansas yield to the Senator from Illinois?

Mr. MARTIN. With pleasure.

Mr. PALMER. So far as I know it is 412½ grains of standard silver.

Mr. MARTIN. Is that the Senator's idea of what constitutes a "60-cent dollar?"

Mr. PALMER. That is my impression of it.

Mr. MARTIN. The answer is about as I expected from the distinguished Senator from Illinois. I supposed that he had just that sort of an idea upon the subject. That is not the measure of the dollar. The dollar is a dollar because by the laws of the United States it is made a dollar, and because it has the purchasing power of 100 cents on the dollar in any part of the American Union. That is what makes the dollar. And that is what makes it an honest dollar. And there is no such thing as a "60-cent dollar." There never was and never will be. But we are

told that the silver in a dollar is only worth 60 or 70 cents in the markets of the world at this time. Measured as an article of commerce, this is true. Measured by the gold standard as money and currency, it is not true.

The value of any article as money depends upon three conditions. First, the nature and extent of its usability as money, as fixed and regulated by law. Second, the law of supply and demand in the country or locality where used; in other words, the volume thereof; and, third, the character of the material used. At present the market value of silver as an article of commerce is low. It is low because it has been discriminated against, and its usefulness and value as a money metal has been substantially destroyed by unfriendly legislation. This condition can and will be radically changed if you will obey the mandates of the Democratic platform and open your mints equally to the coinage of both gold and silver, and clothe your silver money with its constitutional debt-paying power; in other words, make it receivable in the payment of all debts, public and private. If you will adopt this policy you will hear nothing further on the subject of the "60-cent dollar."

As a matter of course, if in your legislation and in formulating your currency plan you discriminate against either metal, you have to that extent imperiled its usefulness and value. The trouble now is, you have put an embargo on the use of silver. You have put upon it the brand of Cain, so far as its usefulness as a money metal is involved; and you have placed it in a state of orphanage in the world's currency. What would gold be worth as a money metal if treated in the same manner?

In order to judge correctly of the relative values of any two articles, such articles must be placed upon a plane of equality. Place them upon a plane of equality, clothe them with like conditions, and subject them to like uses; otherwise no correct judgment can be formed respecting their relative values.

Mr. President, in order to further illustrate the dangerous tendency of the times, I quote again from the article appearing in the *Manufacturer* of September 23, as follows:

It (the stock market) is waiting to hear from the Senate, and not without apprehension that some further object lesson may be needed to move that body.

The article further says:

The mercantile community which desires banking accommodations has not felt the improvement; and the reason is the New York banks have determined not to let money loose until the Senate votes for the repeal of the silver law.

In other words, Mr. President, we are confronted by the deliberate declaration of the money power of the country that confidence shall not be restored, that prosperity shall not return, and that the present social and financial disorders shall continue until Congress shall pass this bill. Repeal is made a condition precedent to their permission of a return of prosperity.

The declaration is arrogant and insolent, and it is truly an object lesson to the people of this country that should awake them from any dream of security that may be supposed to exist. It is time for the people of this country to learn that they who control the purse wield the sword, and that they who control the purse and wield the sword are the remorseless and tyrannical.

nical masters of the country and the enemies of the liberties of the people.

The resumption of ordinary banking operations is not made to depend upon the legitimate demands for money to use in the ordinary trade and business of the country; not upon the interest that can be obtained, not upon the character of the securities that are offered. But all the powers of these great banking institutions are to be ruthlessly and remorselessly used to stay the hand of enterprise, to suspend the business operations of the country, to produce bankruptcy, to inaugurate a new season of penury and want, starvation and disaster, and all for the purpose of forcing the Senate of the United States to pass the pending bill destroying silver as money and forcing upon the Government the necessity of issuing its bonds.

Mr. President, I have no feelings of enmity against bankers as individuals. They are a part of our common humanity, perhaps neither worse nor better than people ordinarily are, except as their vocation makes them. It is true that they are inclined to presume upon their superior knowledge of the laws of finance, trade, and commerce. It is true they are engaged in a business that necessarily makes them cold, calculating, cruel, and remorseless, as all money-changers are, always have been, and always will be. Selfishness and avarice chill the heart, distort the judgment, and render men utterly indifferent respecting the rights of others and their own obligations and duties to society. The cooperation of great financial interests is always easy and convenient.

The moneyed power of the country always stands ready to enter into such combinations and conspiracies—however ruthless and remorseless they may be—for the promotion of its selfish interests. And in doing this, neither the rights, the comfort, nor the happiness of others is considered in the slightest degree. Courts are swayed in their interest; legislatures are controlled for their benefit, and too often executives yield to the blandishments and advantages that its supreme power confers. The policies of government are distorted and shaped for the sole purpose of strengthening and continuing its power. Under these circumstances, Mr. President, is it any wonder that public disorders exist, and that the great body of our countrymen feel that they are unfairly and unjustly dealt with? Ought we to be astonished that the sense of duty and obedience to the Government is weakened? It is the wicked perversion and use of government for selfish ends and individual advantage which sows the seeds of anarchy and social disorder. Destroy the seed and the plant will not grow, neither will the fruit ripen.

Mr. President, as further illustrating the insolence, arrogance, and intolerance of what is often termed the money power of this country, I beg to call the attention of the Senate to a New York dispatch appearing in the Post of this city on the morning of September 17 last:

**IMPATIENT NEW YORK BANKERS.—THEY BLAME MR. VOORHEES, RATHER THAN THE SILVER SENATORS, FOR THE DELAY.**

[Special to the Post.]

NEW YORK, *September 17.*

In a group of bankers at the Union Club to-day the sentiment was given voice that the delay in the passage of the repeal bill had reached a point that needed explanation. At the Manhattan Club, where the Democratic

bankers principally gather, almost the same idea was expressed, but Senator VOORHEES personally was held responsible. It was argued that the Democratic caucus had done all it could, but that the Indiana Senator had not lived up to the confidence reposed in him. The same assertion is made more bluntly in the open street, and at the Windsor Hotel the banking men were talking this evening about the difficulty of understanding what VOORHEES was trying to gain by what was considered his too considerate treatment of the silver minority.

Practically the same opinions are held by business men who have no banking interests.

The feeling here is that unless in a day or two VOORHEES performs without further delay what is considered his duty, of pressing for a vote, he must find himself under the necessity of explaining what are his concealed motives. "Candidly," said a banker of high standing to the Post correspondent, "we did not expect repeal to have been accomplished by this time, but the celerity with which the House passed the bill gave us reason to believe like speed would follow in the Senate. We know the ways of Senators pretty well, and we can understand some of the motives that seem to actuate Senator VOORHEES. But his refusal to come to New York and talk with us has suggested wrong motives, and his weak stand against the aggression of the silver Senators is more than we can fathom. What does it mean? I ask the question because we must know. We have a right to know. If we are not given satisfactory reasons for the delay, as we have not to this hour, we can not be blamed for believing that there is something behind it all. What can be Senator VOORHEES's personal interest in keeping back repeal? That's what we'd like to know; for his political interests are to our minds not enough to explain the strange delay."

This talk of other motives than politics behind the delay has gained currency among certain bankers, but is rejected as unbelievable by others.

Mr. President, I submit that this dispatch suggests a degree of lordly insolence on the part of this same money power that ought not to be tolerated in any liberty-loving community on earth. In this dispatch we are deliberately told that it is the feeling amongst the bankers who assemble at the Union Club and the Manhattan Club in the city of New York, these consumers of the results of honest people's toil, and the gatherers of the fruits of other men's labors, that the chairman of the Finance Committee of this Senate is by them to be called to account for his management of this bill, and that unless he assumes prompt action he will be under the necessity of explaining to them what his possible motives are. Mr. President, a more infamous, wicked, and unmerited attack was never made upon any public man. And it manifests to an alarming extent the insolence, arrogance, and relentless tyranny of this same money power.

Mr. President, the Senator from Indiana [Mr. VOORHEES], to whom reference is made in this dispatch, requires no defense at my hands, or from anyone else, against this brutal and cowardly assault that has been made upon him. His long-continued and splendid career as a Representative and Senator in Congress has made a record of which any honest man may be proud. His fidelity to every trust that has ever been committed to his keeping is a perfect shield from the poisonous darts of these money-changing vandals. His fame and good name rest secure and steadfast in the hearts of his constituents and in the annals of the great legislative bodies which he has adorned and honored for almost the third of a century, and his reputation and character are perfectly safe from the malicious criticisms of baffled and disappointed bankers, as well as all others. But, Mr. President, the meanness disclosed in the article, its insolence, its arrogance, shows the extent to which such men will resort in order to carry out their wicked purposes.

Mr. President, the money power, as we call it, is not composed

of bankers alone. They have allies, dependents, and Hessians, who fight for pay and murder for reward. One or two classes of their associates I have already referred to, and I come now to the consideration of another class that I regard as great if not greater public enemies than any other class in the country—men of luxurious tastes and extravagant habits, whose linen is always unstained, and whose hands are free from the marks of labor and honest toil—I refer to the gambling fraternity. These men figure in the newspapers as members of “stock exchanges” and “cotton exchanges” and “grain boards,” and other gambling societies of like character, the middlemen who rob and plunder those who actually labor and produce the world’s wealth. Mr. President, as illustrating the methods of the men to whom I refer, I propose to read an article appearing in the Republic, of St. Louis, Mo., of a recent date, as follows:

**TWENTY THOUSAND DOLLARS A DAY—THE WALL STREET SHYLOCK’S RECENT HARVEST—READY MONEY PUT TO GOOD USE—THE BULK OF IT HE PUT OUT AT 75 PER CENT—THE OLD GENTLEMAN’S SHREWD METHODS.**

THE REPUBLIC BUREAU, ROOM 146, TIMES BUILDING,  
*New York, July 5, 1893.*

Russell Sage’s part in the financial crisis of the past few weeks is beginning to leak out in Wall street. When money first began to tighten up, and railroads with dividends to pay, and other institutions badly in need of ready money cast about for it, Russell Sage, who has the reputation of keeping more ready money on hand than some of the richest of the banks, came in for a great deal of attention. Day after day, for something like two weeks, this bright and cheery old gentleman sat in his dingy office overlooking Trinity churchyard and all the headstones and monuments there, and heard all kinds of collateral.

Money was skyrocketing then, advancing rapidly from 20 per cent up to 50, and even 75 per cent. How many millions of dollars Mr. Sage had during these days available for loaning purposes, and what rates he charged his customers for the accommodation, can not, of course, be accurately stated. It is perfectly safe to say, however, that Mr. Sage did not loan his money below the market rate.

**TWENTY THOUSAND DOLLARS PER DAY.**

A Wall street man who keeps pretty well informed on the aged financier’s transactions in loans gives it as his opinion that for a number of days the old gentleman’s receipts from interest on his money were not less than \$20,000 per diem. How much money Mr. Sage was able to command at so interesting a time for helping the stockbrokers can be surmised from the fact that on every day of the year, the whole year round, this modern but thoroughly amiable Shylock has about five millions that he can lay his hands on within twenty-four hours.

Even in 1854, when the great crash came in Wall street, and Mr. Sage closed the door of his office to protect himself from the army of creditors who flocked there, it is stated authoritatively that he had over \$3,000,000 on deposit with two of the leading banks of this city. He only needed \$1,000,000 to pay off all claims against him, but his impulse was to close his office and leave New York for some secluded spot where no creditor could possibly reach him. If, therefore, Mr. Sage had \$3,000,000 in cash at such a time as that, it may readily be concluded that at the present time, ten years later, when he has suffered no losses in the stock market or through dealing in privileges, he must have a great deal more; and the statement may even be accepted that during the past three weeks he has manipulated for loaning purposes somewhere between \$15,000,000 and \$20,000,000.

**BELIEVED IN WALL STREET.**

This statement is familiar on Wall street and finds general belief. What Mr. Sage’s receipts have been for interest during this storm and others depends, of course, not only on the amount of money he has loaned out, but also on the rates at which he has loaned it. As heretofore observed, there is not much doubt but that the shrewd old trader has secured the very highest rates to be had. That is his main purpose in life. He got the highest rates for nearly the whole volume of money, because nearly all the loans Mr. Sage makes are call loans, which can be called in from day to day at a few hours’ notice.

It is not probable, of course, that Mr. Sage loaned all his money at 75 per cent. but it is quite possible that he got at the rate of 50 per cent a year for all the money he loaned out during the ten days previous to last Saturday, and if these loans are calculated on a basis of \$15,000,000, it will be seen that this amounts to the daily income of \$20,000 already noted.

#### MR. SAGE'S BANK.

The statement in Wall street that Mr. Sage is in the habit, during periods of stringency, of borrowing money from the Importers and Traders' Bank, in which he is the chief stockholder and practical owner, and of borrowing it at regular rates and then relending it at 40 to 50 per cent, can not of course be regarded as anything but an exaggeration, inasmuch as such action would attract the attention of Comptroller Eckels and result in unpleasantness for Mr. Sage. But there is no doubt that he did oppose the Importers and Traders' Bank refusing to participate in any such proceeding. The officers of the Importers and Traders' Bank declared that they had no need for loan certificates, and refused to take any. The fact of the matter is, Mr. Sage did not want his own bank figuring in the money market and breaking the rate of interest, and thus abridge his enormous profits from that direction.

Comment on this article is unnecessary. The iniquitous methods pursued are made manifest and clear. The same class of men are gamblers in silver, the very metal they are endeavoring to destroy as an article of money. And undoubtedly such gambling operations have much to do with the depreciated value of silver bullion. They are even gambling among themselves as to whether the pending bill will be passed by Congress. And, as illustrating the truth of this proposition and the wicked and corrupt methods pursued by them, I call the attention of the Senate to the following dispatch which I find in the Washington Post of September 29, 1893, as follows:

**BROKERS BET ON REPEAL—HEAVY ODDS THAT SILVER PURCHASES WILL BE STOPPED—STOCKS ADVANCE RAPIDLY—THE FEELING OF CONFIDENCE AND BUOYANCY ONLY SLIGHTLY CHECKED BY DISPATCHES FROM WASHINGTON WHICH DID NOT BEAR OUT THE OPINION PREVALENT ON THE STREET, WHICH, TO A LARGE EXTENT, WAS BASED ON THE PRESIDENT'S LETTER TO GOVERNOR NORTHEN.**

NEW YORK, *September 28, 1893.*

There has been a radical change in sentiment in stock circles in relation to the question of repealing the Sherman silver law. In fact, certain operators on the floor of the exchange were so confident that the Senate will expunge the law from the statute books that they were offering to bet twenty to one on the correctness of their views. They backed up their opinion by liberal purchases of stock, which led to an almost buoyant tone.

The bulls were favored by the strong expressions made by President Cleveland in favor of unconditional repeal of the Sherman silver law in a letter to Governor Northen, of Georgia, which gave color to the dispatches from Washington to the effect that the Senate will take an affirmative vote on the repeal bill within a week or ten days. Public dispatches received on the street up to the close of business, however, did not confirm this theory, but, nevertheless, bulls and bears were imbued with the belief that the silver question will be disposed of in short order, and bought stocks freely.

Mr. President, as further illustrating the corrupt and demoralizing methods pursued by this class of men in their nefarious business, I propose to read from a speech by the Senator from Minnesota [Mr. WASHBURN], of the 11th of July, 1892, in the Senate. I read from page 8 of the printed speech:

These people talk about "fettering commerce." Let me ask how commerce is or can be fettered, obstructed, restricted, or in anyway interfered with under the provisions of this law? It only attempts to suppress gambling and nothing more, and of the most vicious character that has ever existed, compared with which the Louisiana lottery is but a Sunday school.

This is a very graphic, and doubtless a very truthful description.

tion of stock-gamblers and their methods. Proceeding, the Senator says:

How can commerce, how can trade, how can any dealings of the merchant be affected from the fact that the gambler or operator can not sell for future delivery millions of bushels of wheat and thousands of bales of cotton that do not exist?

On page 9 of the same speech I find the following:

As near as I can learn, and from the best information I have been able to obtain on the Chicago Board of Trade, at least 95 per cent of the sales on that board are of this fictitious character, where no property is actually owned, no property sold or delivered, or expected to be delivered, but simply wagers or bets as to what that property may be worth at a designated time in the future. It has finally come to this, that the operators on boards of trade fix the prices of the different articles named in section 3 of this bill, without regard to the law of "supply and demand" or any natural conditions whatever. So that the business of the country has reached a crisis that is absolutely unbearable; so that the object of boards of trade, which are of necessity in conducting the commerce of the country, have been subverted from the uses and purposes for which they were created and have been turned into gaming resorts where the great products of this country are made the basis and football of gambling transactions. So that wheat and cotton have become as much gambling tools as chips on the faro-bank table. The property of the wheat-grower and cotton grower is treated as though it were a "stake" put on the gambling table at Monte Carlo. The producer of wheat is compelled to see the stacks in his barn dealt with like the peas of a thimble-rigger, or the cards of a three-card monte man. Between the grain-producer and the loaf-eater there has stepped in a "parasite" saying at what price one shall sell and the other buy—a "parasite" between them, robbing them both.

In proof of the charges I have made respecting the character and operations of this gambling fraternity, I quote further from the speech of the Senator from Minnesota, as follows:

To make clear that I do not overstate this matter, I desire to submit quotations, comments that have been made in the past few months on different boards of trade, as indicating how such quotations have been possible, and to show absolutely clearly that the price of wheat has not been made by foreign markets, as has formerly been the case, in accordance with the law of supply and demand, but has been artificially fixed, and depreciated at that, by the produce exchanges of this country, which have so large an export trade in so many of our agricultural products. For instance:

[Inter Ocean, February 1, 1892.]

The wheat market was controlled by the bears from the opening to the close, and Partridge was particularly prominent. With Partridge's operations almost continually against the price values showed a loss. Foreigners were fair sellers here and in New York, but the largest offerings were made by Partridge. He had sold a big line of "puts," and his selling was to get the price down and has the wheat "put," and at the close a large quantity of wheat was "put" to him, enabling him to cover part of his (short) line.

[Chicago Tribune, April 12, 1892.]

The decline (in wheat) was greater than anyone anticipated, with the possible exception of Mr Partridge.

Partridge's actions were naturally watched with no little interest, and it was generally conceded that he "scalped" the market very effectively. His early liberal selling around top prices helped to break the market.

[London cable in Baltimore American, April 13, 1892.]

The grain markets here and on the Continent for the past two days have been strangely affected by bogus European news, received by way of the United States.

[Inter Ocean, April 15, 1892.]

The wheat market disappointed the bulls, who expected that prices would move upwards, as the majority of the influences were bullish. The bad weather was expected to have a pronounced effect, but the "crowd" appeared to care little about the weather or the cables or crop reports, so that local influences dominated prices. The cables were stronger, the late ones showing good advances at Liverpool.

An operator said: "Pardridge has done the past two days what the trade said he could not do this month; that is, 'cover' his May wheat without causing a big 'bulge.' The 'longs' wanted to sell, and he bought it."

[Chicago Herald, April 19, 1892.]

E. W. Kalb, manager of the foreign department of Schwartz, Dupee & McCormick, and who is now in Europe, has sent the following on the foreign wheat situation, from Antwerp, under date of April 6: "The wheat markets in Europe are more than dull. Europe will hardly become a free buyer again as long as prices are kept declining in America. However, should your markets show signs of firmness for several days in succession, then Europe is bound to follow. America will remain the main key to the world's wheat situation for some years to come."

[Chicago Herald, May 3, 1892.]

The bulls had the news on wheat; the bears had the market. About everything which last week was looked forward to as likely to help prices was realized, yet prices yielded rather than advanced.

[Inter Ocean, May 5, 1892.]

Minneapolis sent advices that the acreage would be but 50 to 75 per cent of last year's. Combined with the bad weather reports were the cables which were generally stronger and higher. These were the most important bullish influences, but they were offset by the "unloading" by the "scalpers" and by the selling by Pardridge, and this selling had much to do with the decline.

[Philadelphia Press, May 6, 1892.—(Chicago dispatch).]

Traders have become so accustomed to receive bullish news and find it succeeded by a drop in the price that they were very slow to believe that anything different from their recent experience would happen to-day. Item after item of news kept dropping in during the first hour and a half, and no matter from which direction, its tenor was bullish. But Pardridge sold wheat; Cottrell sold wheat, and the "crowd," which runs in the wake of successful men, thought they were safe in getting in behind the big bears.

[Inter Ocean, May 7, 1892.]

A. L. Arrigoni, a young plunger, who had about 500,000 bushels of grain, was unable to margin his trades, and was closed out yesterday with a loss of \$6,000.

[New York Tribune, May 12, 1892.]

The speculation was fairly active, about 8,000,000 bushels being dealt in, but the trade was mainly devoted to local "switching" operation. There was no outside interest, and the large operators seemed to be indifferent; hence the "scalpers" held full sway.

[Corn Trade News, January 18, 1892.]

The Marseilles (France) correspondent writes: "The past week has been decidedly bad; one day there was a ray of hope that the (wheat) market would revive, as a slight advance at New York was reported; and as it was said that the daily fluctuations in America were due to speculative operations, it was anticipated that with the disappearance of this exceptional cause a firm tone would take the upper hand."

[Corn Trade News, March 29, 1892.]

Genoa (Italy) correspondent writes: "The wheat market is dull; all sorts are 6½ lower, and the demand is limited. The continual decline at New York has demoralized buyers."

[Corn Trade News, April 12, 1892.]

Antwerp (Belgium) correspondent writes: "Business continued slack, in consequence of the decline in America; to-day the revival in that country was received with gladness, and we hope it will last."

Bordeaux (France) correspondent writes: "Our market has been greatly disturbed since our last report, consequent on the violent fluctuations in America. To-day, on the collapse in America, but few bids were made, and generally at prices too low to lead to business."

In a letter to the (Liverpool) Corn Trade News, dated in September, 1891, Mr. Dennison B. Smith, secretary of the Toledo Board of Trade, said that—

"We most heartily deprecate the conditions prevailing in this country. First is the apparent want of courage on the part of capitalists to invest in wheat, and the next is the reckless disposition of the fraternity of short-sellers to pound down prices. Not an advance in prices has occurred on this side that has not been reflected abroad, and not a decline that has not been followed by a corresponding break over there."

[Inter Ocean, January 30, 1892.]

The market was emphatically a small one, with Partridge, as usual, doing the greater part of the trading. Whenever the market showed any strength he accommodated the crowd by selling all they wanted, and on the decline he bought back the stuff he had sold at a profit, trading in over 1,000,000 bushels during the day. The outside public are not in the market to any extent, and commission houses are complaining about the scarcity of orders.

[Inter Ocean, February 4, 1892.]

Wheat was in the control of Partridge the greater part of the day.

[Globe-Democrat, January 30, 1892.]

Chicago dispatch says: "Hutchinson's sale of 1,000,000 bushels of wheat in a lump to Leopold Bloom was up to that time the largest individual trade made, and it certainly has not until to-day been distanced. Partridge sold 'call' on 1,000,000 bushels of wheat, one lump, and wound up the sales of about 3,000,000 bushels more. The fact that the privileges were sold less than one-half cent away from the actual market, and that they are good for all Monday makes the feat even more daring than if he had sold the actual wheat at the market value. The effect of the transactions and Partridge's known probity, wealth, and reliability set the whole speculative world in an uproar. A moderate estimate of his present short line is 10,000,000 bushels."

[The Chicago Herald, February 4, 1892.]

Partridge said yesterday that he was pretty well cleaned up, and that he had made four times as much out of his recent bear campaign as he had ever made in one turn before in his life. Partridge has never heretofore felt called upon to tell the crowd just exactly how he was fixed, and consequently his announcement, now that he is out, is taken *cum grano*. Still, it is generally agreed that the great trader has made one of the most astonishing turns ever witnessed in this market. He is generally credited with having been right for about 12 cents a bushel on a line from 5,000,000 to 7,000,000 bushels. In addition to his straight profit, he has pocketed any amount of money on privileges, and possibly a small-sized fortune on scalps. The outcome is certainly an astounding one, considering that all this money has been made on the short side in a famine year. Although Partridge has been a bear all the time, and although he was caught short on an enormous line just as the immense excitement of the famine year began, he has been clever enough or lucky enough to so cut short his losses and to so play his profits, that the whole grain world is discussing his success toward the end of the crop year, which was relied upon to make every wheat bull, even the fool wheat bulls, rich.

[From the Iowa State Register, Thursday, April 14, 1892.]

#### THE GRAIN GAMBLERS MUST GO.

It has often been said that "Liverpool makes the market prices on grain for all the world." That statement has been proven false by the success of Ed. Partridge, Chicago's famous, or rather infamous, "plunger." During the past six months he has absolutely dictated the values of grain in all the markets of the earth, and he has recklessly robbed the farmers of the United States of hundreds of millions of dollars by the low prices he has been able to establish for his own speculative purposes. His success this week supplies all the further evidence that has been necessary to induce both Houses of Congress to pass the antioption law. The grain gamblers should be driven out of the temples of trade. If they must gamble let them bet on the number of grains of sand on the lake and seashores and the world's visible supply of sand. Bidding down the values of grain has exactly the same effect as bidding down the value of labor and agreeing to supply a certain number of laborers for a certain month or year at reduced wages. The farmers demand protection from the grain gamblers and it should be promptly extended by a law that will tax every bushel of grain bought and sold in options, but not interfere with legitimate transfers of actual grain.

The Chicago Tribune, January 30, 1892, says editorially:

"A number of the members of the Chicago Board of Trade, belonging to the receiving class, think the market is often under the influence of artificial conditions, and that the constitutional bears too often have things their own way.

"Three of the daily circulars issued last week by a prominent commission firm may be quoted in this connection. Tuesday the market was stated to be 'entirely in the hands of the short seller.' Thursday it 'broke sharply under the pressure of short selling.' Friday's circular contained the statement: 'The Chicago bear ring has finally succeeded in creating a panic

throughout the world. All the energies of trade have been directed to breaking down the price of wheat in the United States, which they have finally succeeded in doing, and in so doing have necessarily carried the markets of the world down with them.' This followed the statement in Wednesday's paper that 'The situation has shaped itself to this extent, that if Western Europe wants wheat for the next four months there is no place excepting the Atlantic coast of the United States where it can be obtained.'

I can not, perhaps, quote in any better connection from an article of Robert Lindblom, one of the most intelligent and level-headed members of the Chicago Board of Trade, as published in the Chicago Post several weeks since.

In the article referred to Mr. Lindblom says:

"What stronger argument can be furnished in favor of the Hatch or Washburn bill than the spectacle that few men, having no wheat, can in one hour lower the selling price of the wheat crop \$24,000,000, when foreign markets were strong and higher, and every legitimate influence pointing to higher prices.

\* \* \* \* \*

"There are in sight now over 40,000,000 bushels of wheat. The American speculator has bought it all for delivery to him next May. There are over 20,000,000 in sight in country warehouses, and hedge sales have been made against that in Chicago, so the speculator has to buy that too, and as though that was not enough, the professional short sellers and the sellers against flour and wheat in foreign countries have sold at least 50,000,000 bushels of wheat in Chicago, which weighs just as heavy as the sale of actual wheat. In fact, it weighs heavier, for while the seller of May wheat against actual holdings has completed his transaction and has no further interest in it, the pure short seller has an interest in further depressing the market, and in order to do so he resorts to every iniquity known to the trade.

"Is there in all America one sane man who will assert that it is of advantage to the producer to have the supply artificially increased from 65,000,000 to 115,000,000? Is there really anybody so obtuse as to assert that the sale and constant pressure of 50,000,000 artificial supply on the market is of benefit to the producer?

"It seems there is, but it is gratifying to know that these specimens are found only among that generation which has been developed since short-selling was confounded with speculation.

\* \* \* \* \*

"The proposed legislation will, without any question, add materially to the selling value of farm products. It will cut off an artificial supply and increase the speculative while not diminishing the consumptive demand. There can be no real issue as to that."

That "short selling" is a menace to the solvency of all those who deal in articles which are subject to its blighting touch is shown by the relief experienced upon all the exchanges when it was reported that the greatest of "short sellers" had covered his "short lines," as set forth in the following extract from the daily market reports:

[Chicago special to Globe-Democrat, June 22, 1892.]

The only thing in relation to the wheat market which attracted attention was the gossip about Partridge. The trade fully realizes that it has recently narrowly escaped from what might have been the most disastrous failure that the board has seen for many years, and which might have proved more severe than the Harper deal, in June, 1887, when fifteen great firms were forced to suspend. Had the Government crop report, on June 10, been bullish there is no telling how many of the large commission houses would have been carried down by the inability of Partridge to protect his enormous short line. \* \* \* His overtrading has caused the big commission houses a great deal of alarm.

[Chicago Inter Ocean, June 23, 1892.]

The question now asked is, Will Partridge ever get his line covered? Each day the crowd say that his line is larger than they had previously estimated, and place it at 25,000,000, or about the entire visible supply. The more the commission houses think of it the more thankful they are that they did not have to buy (in) his wheat two weeks ago on the bulge to 88 cents. The trade is not opposed to Mr. Partridge, but regard him as a very dangerous man.

[Chicago Tribune, June 23, 1892.]

Traders in wheat think Mr. Partridge's operations are a menace to the safety of the trade at large and are trying to devise a scheme that shall curtail his trading and reduce the danger to a minimum. They say that but

for the Government report coming just as he began to cover his short line, the advance, which had well started, would have soon carried the price to a point where he would have been unable to respond to calls for margins. Then they say any attempt to cover 5,000,000 bushels or more of wheat for his account would have resulted in a panic in which everyone would have suffered severely.

Mr. President, I call the attention of the Senate to still another class of conspirators engaged in producing the present panic, namely, the newspaper press of the country. And upon that point I propose to read a letter from Francis G. Newland in the New York Sun, dated September 2, 1893, in which he charges that the public disturbances which we have observed for the past few months are largely due to newspaper clamor. He says:

**THE PANIC MADE BY NEWSPAPERS—THE PUBLIC FRIGHTENED BY SENSATIONAL EDITORIALS—MISCHIEF THAT WAS NOT INTENDED.**

*To the Editor of the Sun:*

SIR: I observe in to-day's paper that you take humorous exception to the statement of Mr. TELLER in the Senate that "a scheme had been organized early in the season in New York for the purpose of creating a financial panic, which would compel at an extra session the repeal of the purchasing clause of the Sherman act;" and you state that it is impossible that New York could thus go to work to pick its own pockets. Will you permit me to present my observations with reference to this matter?

I was in New York during the early part of this year for some months, and was a close observer of the course of the bankers and newspapers regarding the Sherman bill. You will remember the clamor that then existed for the calling of an extra session. Refer to the files of the Herald, World, Times, and Post during that period, and you will find the most inflammatory articles, intended to arouse and alarm the country. I remember in particular that the New York Herald would day after day have from five to six short editorials, double leaded or italicized, in every column, calling attention in the most alarming way to the danger of the situation: "The Treasury reserve was being depleted, the gold was flowing out, the country was drifting on a silver basis, the dollar was a 60-cent dollar, foreign investors were selling their securities," etc. I remember that in one of the papers for some days there appeared in immense figures at the head of the column the constantly decreasing amount of the gold reserve, accompanied by sensational headlines.

Now, what was the effect of all this? There is always a natural drain of gold from this country during the early part of the year, which is followed by a flow this way during the latter half of the year. These New York papers were read and quoted in England. They, doubtless, alarmed investors here, and the result was that the natural drain of gold was turned into a forced demand by foreign sales of American securities. The reserves of the New York banks were diminished, clearing-house certificates were resorted to to tide over the difficulty; the Western banks, being alarmed at the situation in New York, withdrew their balances and the situation was aggravated, and then a panic arose throughout the country, arising not out of fear of the governmental issues of money, but fear as to the security of the banks. The withdrawal of gold by foreigners, and the withdrawal of deposits and the hoarding of money by our own people, have brought on a monetary stringency which has caused the sacrifice of hundreds of millions of values in American securities, as well as wheat, cotton, and other products. Our foreign investors alone have profited, for they are now buying back the very securities which they sold some months ago at from 20 to 40 per cent discount.

It is impossible to believe that the bankers in New York entered into an organized conspiracy to produce the great panic from which we are all suffering. The part which they played was merely incidental. They were, of course, hostile to silver, and wished the Sherman act repealed. The national banks also wanted bonds issued for the purpose of increasing the reserve, and also for the purpose of enabling them to increase their circulation; but the newspapers were constantly interviewing the bankers and publishing their interviews with sensational headlines and comments. I ask, then, is it not fair to say that this great panic, which all agree now is a senseless panic, had its origin in the metropolitan press of New York? The only prominent papers which have pursued a conservative course throughout, in my judgment, have been The Sun, Tribune, and Commercial Advertiser. The very papers which started the scare are now declaring that it is sense-

less, and are trying to restore the confidence which they helped in so great a degree to undermine. So far as our foreign investors are concerned, they probably took as true the very aggravated utterances of our newspapers that we were drifting on a silver basis, but so far as the local want of confidence is concerned, it took the form of lack of confidence in the banks, not in the money bearing the stamp of the Government. The best evidence of this is that the silver certificates and silver coin, both alike representing, according to the statement of these papers, only 60 per cent of intrinsic value, have been hoarded by the people and have been practically at a premium.

I remember well, on my return to Washington from New York last March, I predicted to some friends that the New York papers would, within the next three months, create the greatest panic of the century. That prediction has come true. Later on, before the panic had assumed such large proportions, I was talking with a prominent banker in New York, and insisted upon it that the sensationalism of the New York press was doing great injury. I asked him why the substantial men of New York did not represent to these papers the injury they were doing, and appeal to them to modify their course. His answer, with great excitement, was: "Appeal to them, d— them, they would publish the appeal and aggravate the difficulty."

For the purpose of illustration, let us suppose that the press of Paris should commence an outcry against the security of the currency of France. We all know that France is one of the largest owners of silver in the world. I believe she has about \$700,000,000 of silver coin. Now, suppose the Paris journals should day after day, with sensational headlines and double-headed editorials, declare that the 5-franc piece was worth only 3 francs; that the gold was in danger of going out of the country, and should pursue generally the course which our metropolitan papers, have pursued. I ask how long it would be before a panic would be inaugurated in France? I apprehend, however, that no such emergency could occur in that country, for the editors of the Paris journals so engaged in the seditious work of undermining the public credit would doubtless be behind the bars of a prison before their work could be fully accomplished.

It is, of course, impossible to believe that the New York editors have entered upon this work of destruction with deliberate intention; they simply represent the sentiment of the great banking class of New York regarding finance, and they took what they thought to be the surest method of accomplishing results without reflection as to the trouble and distress the scare created by them would cause. Whether this scare will result in the repeal or the demonetization of silver in this country or not remains to be seen, but if it is accomplished, the loss and distress and ruin caused by this agitation will far outbalance any that would have happened even had the worst predictions of our opponents as to the effect of this country's drifting on a silver basis been realized.

Yours, truly,

FRANCIS G. NEWLAND.

HOLLAND HOUSE, September 2, 1893.

Mr. President, I have heretofore referred to the controversy between Andrew Jackson and the United States Bank in 1833. I hold in my hand a small historical volume published by G. P. Putnam's Sons in New York in 1880, entitled *Andrew Jackson and the Bank of the United States*, by William L. Royal, of Richmond, Va. It is a valuable contribution to the literature of the period, as exhibiting the attitude and conduct of the United States Bank and its agents and officers in its arrogant assumption of power and in resisting the authority of Congress and the President of the United States. It is particularly valuable at this time, because the facts therein given illustrate in the most marvelous manner the exact attitude and proceedings of the banks of to-day in their attempted intimidation of Congress and the country. I read from page 24 of the volume referred to as follows:

This session, the session of 1833, was known at the time as the panic session. The bank was still a prodigious power, and it was allied to and supported by the great Whig party, with Henry Clay in its lead. It was in no humor, therefore, to abandon the fight, but it determined by the use of its great money power, in aid of its political associates, to extort from Congress a re-

newal of its charter. Its plan of campaign was, by contracting circulation, calling in its loans, and discontinuing future loans at the mother bank, to produce as much disaster and distress as possible, and to keep the ears of Congress constantly harassed with memorials from every quarter of the Union where it had influence enough to get them signed, reciting in the most affecting manner the ruin that the veto and the removal of the deposits had brought on the country. Its movements were directed especially against business communities, and establishments employing a great many operatives, so as to throw out of employment as many workmen as possible. One loan of \$100,000 to a single distress-agitator was detected, and \$1,100,000 was discovered to have been put with a single broker, to be employed in making panic and distress.

The plan was fully carried out according to its design. Wherever the bank, through its manifold agencies, could cause a disaster the disaster was caused. Wherever, by uniting its clap-trap with the wails of those it had designedly ruined, it could get memorials signed, they were signed. These memorials were presented in Congress by the first men in the nation, in the Senate by Webster, Clay, and Calhoun, introduced by speeches in which all the arts of the orator were drawn on to paint the wretchedness of a ruined country.

Mr. President, after reading this historical statement, and comparing it with the present condition of the country and the methods adopted at this time by the money power for enforcing their demands, it would seem that the present conspirators had deliberately adopted the plan of campaign followed by the old national bank. In 1833 the plan of campaign adopted by the old national bank to enforce its demands was the contraction of its circulation, the calling in of its loans, discontinuing future loans, in order to produce as much distress as possible, harassing the ears of Congress with memorials from every quarter of the Union where it had influence enough to get them signed, reciting in the most effective manner the ruin the veto had brought on the country. Its movements were directed especially against business establishments of the country, so as to throw out of employment as many workmen as possible. And they even went so far as to appropriate \$1,100,000, placing it in the hands of a single broker to be employed in making panic and distress.

Wherever the bank, through its manifold agencies, could cause a disaster the disaster was caused. Wherever, by uniting its claptrap with the wails of those it had designedly ruined, it could get memorials signed they were signed. These memorials were presented to Congress by the first men in the nation—in the Senate by Webster and Clay and Calhoun, introduced by speeches in which all the arts of the orator were drawn upon to paint the wretchedness of a ruined country. And that is precisely what has been done to produce the present panic. By concerted action a regular plan of campaign has been adopted. Object lessons have been enforced.

The banks have deliberately adopted the plan of contracting their circulation, calling in their loans, and refusing future loans, and for the very purpose of producing as much disaster and distress as possible, and to keep our ears constantly harassed from every quarter of the Union where they have had influence enough to get memorials signed, such memorials reciting in the most affecting manner the ruin that the continuation of the Sherman law would bring on the country. Their movements have been directed especially against business communities, and large business establishments have been forced to close their doors. Their operatives have been thrown out of employment,

and doubtless thousands and thousands of dollars have been used and employed in making panic and distress.

Wherever the bankers and their coconspirators could cause a disaster, the disaster has been caused. Wherever, by uniting their clamor of "honest money" with the wails of those it has designedly ruined, it could, as a matter of course, get memorials signed. And these memorials have been presented to Congress by distinguished Senators in speeches, in which all the arts of the orator have been drawn upon to paint the wretchedness of a ruined country, the wretchedness and ruin deliberately planned and executed by the very agencies for whom they speak.

Mr. President, substituting 1893 for 1833 and changing a few names that no longer figure in American politics to some who do, and you make the statement which I have read, in all its horrible details, absolutely applicable as a perfect parallel to the conditions with which we are confronted to-day. We have the contraction of the currency, the refusal of loans, the resorting to extraordinary methods, the closing of factories, the throwing of men out of employment for the purpose of creating a public sentiment and a public sympathy, in order to operate upon the minds of Senators and Representatives and force us to grant to these corporations certain unlawful advantages and privileges for which they are now clamoring, as the old national bank did in 1833. The author says further:

In addition to all its other sources of power, the cause of the bank received invaluable assistance from the coalition of these three great men (Webster, Clay, and Calhoun). Each one was an aspirant for the Presidency, and upon the bank's cause and paper money, each found a common ground upon which all three could meet and oppose Jackson, the great enemy of both of these things. All the movements of the bank were but a repetition, with a change of names and dates, of what had taken place in 1811.

As a matter of course, Mr. President, in one respect the events of 1833 and those of 1893 have no parallel—in regard to Webster, Clay, and Calhoun—as there are no Presidential aspirants in the United States Senate at this time. Thus we have three instances in the history of the country—1811, 1833, and 1893—where these great fiscal agencies, created by the Government of the United States to aid and assist its financial operations and for the supposed benefit of the citizens of the Republic, have in times of great distress and public peril utterly failed to accomplish the purpose intended; and to their shame and eternal dishonor have been the means and instrumentalities for wicked and selfish purposes of producing the very condition which they were designed to avert. The author further says:

When the charter of the first bank was about to expire, and many persons were living who could testify to it, and the records of Congress showed the counterparts to all the memorials that were presented, this fact did not escape the bank's adversaries, and they made good use of it. In the session of 1831 the House of Representatives appointed a committee, of which Mr. Francis Thomas, of Maryland, was chairman, to inquire into the cause of the distress that was represented to exist, whether the bank had been instrumental in producing it, whether the bank charter had been violated, and whether the bank had used its money to control the elections.

The report of this committee is an instructive document. It showed what a sham all the fuss about distress and hard times was; but as for investigating the bank, it had as well have attempted to find the North Pole. The bank set it at open defiance, and this effort, like previous ones, utterly failed. Shortly afterwards the Secretary of the Treasury made a report to Congress under a call from that body upon the financial condition of the country, in

which he showed that an unusual degree of prosperity existed, and that the distress complained of was imaginary, except in those places where the Bank of the United States had been able to create it.

In the same volume the author, in referring to the events of 1837 and subsequent years, says:

In the spring of 1837, soon after Mr. Van Buren's Administration had commenced, the catastrophe of which Gen. Hamilton had sown the seeds in 1790 occurred. On the morning of May the 10th, by one concerted movement, all the banks in the city of New York, which banks gave the law to the rest of the Union, suspended specie payments, as it is called; that is, repudiated all their obligations. All the other banks in the Union quickly followed their lead, the Pennsylvania Bank of the United States affecting to resist it, but soon falling into line with the others. The way in which the suspension of the New York banks operated upon all the other banks in the Union, so as to force their suspension, is well explained by Mr. Van Buren in his first message to the Twenty-sixth Congress in 1839.

It has been charged, and with great show of reason, that the suspension of specie payments at this time was deliberately contrived and brought about by the Bank of the United States, as part of its general programme to create all the distress that it could, in order thereby to extort from Congress a recharter.

Here, Mr. President, we have another accurate description of current events. In this quotation it is stated in substance that on the 10th of May, 1837, all the banks in the city of New York suspended specie payment and that these banks gave the law to the rest of the Union. Unfortunately the same facts exist to-day. New York is the great money center of the Union. It is the center of the money power. It controls the financial arteries of the nation. Its banks give law to the rest of the Union. They can contract or increase at their pleasure. They bring prosperity or force disaster at their will, and hence the necessity of an absolute divorce between the Government of the United States and all the money institutions and private financial operations of every name and nature.

The continuance of this unlawful union and this unholy alliance between the national banks and the Federal Government is a perpetual challenge to the happiness and prosperity of the Union. The centralized money power of the Union is the most dangerous and threatening element with which this or any other Congress will be called upon to deal. No better evidence need be presented of this truth than the events of the last six months. The author of this volume, referring to the fact that the suspension of specie payments was a deliberately formed plan of the Bank of the United States as a part of its general programme to keep and create all the distress that it can in order to extort from Congress a recharter, adds:

It was certainly not too good to do so, and in the year 1841, just before it finally expired, it is proved to have attempted to create a general suspension, by forcing the banks of the city of New York to suspend. The manner of this attempt was afterward related by its cashier. It consisted in selling bills in unlimited quantities on Paris—at this time in great demand—where it had not a cent to meet them, and drawing the coin with the proceeds of these sales out of the New York banks and shipping it abroad to meet these bills as they made their appearance there.

The plan of action herein outlined is almost precisely the scheme exposed in the Philadelphia Manufacturer, of September 23, 1893. Selling bills of exchange in unlimited quantities on Paris, has its parallel in the shipment and reshipment of gold between New York and London, under the pretense that it was a legitimate transaction, and in the pretended increase in

the value of exchange on London. And in addition to this the banks of the present day have invented a new scheme, that of issuing for the benefit of each other what is known as "clearing-house certificates." The author adds further:

The bills, however, got to Paris before the coin came back protested, and the great bubble was finally pricked. But of this hereafter. Certainly the condition of the New York banks at that time, as statistics which have since made their appearance show, discloses no reason why they should have suspended in the year 1837 that would not have compelled their suspension in previous years. In the year 1837 they had a circulation of \$3.70 to every dollar of coin in their vaults. In the year 1834, the proportion of circulation was \$7 to \$1 of coin in their vaults; and in the year 1836 it was as \$3.39 to \$1. (See finance report for 1876, page 212.)

I also read from pages 51 and 52, from the same volume, as follows:

The committee of the stockholders, having made a thorough examination of the bank's affairs, reported and showed that from the year 1830 to the year 1836, the period when it was making its most desperate struggle for a recharter, the loans and discount of the bank were about doubled, its expenses trebled. Nearly thirty millions of these loans were not loans upon business paper; they were loans to members of Congress, editors of newspapers, brawling politicians, brokers, jobbers, favorites, and connexions. They were in most instances made by Mr. Biddle himself, the directory having put everything under the control of the exchange committee, and it having practically put everything under his sole control.

The details of the manner in which the bank's money was squandered to control political power would be sickening if it did not arouse indignation and wrath. From 1830 to 1836 large sums were always out on loan to members of Congress. One member related to Col. Benton his experience on applying for a loan. Having borrowed the money from the Bank of the United States as he would have borrowed from any other bank, and with the purpose of returning it, he voted afterwards against the bank, and felt, therefore, that he could tell it without shame to himself. He said that he needed \$4,000, and could not get it at home. He went to Philadelphia, to the bank, inquired for Mr. Biddle, was shown into an ante room and supplied with newspapers and periodicals, asked to sit and amuse himself, the president being engaged for the moment. Presently the side door opened, he was ushered into the presence, graciously received, stated his business, was smilingly answered that he could have it, and more if he wished; that he could leave his note with the exchange committee and check at once for the proceeds, and if inconvenient to give an indorser before he went home he could do it afterwards, and whoever he said was good would be accepted. And telling this the member said "he could read bribery in his eyes."

Mr. President, this is not an overdrawn picture. It is not a repetition of a dreamy story but the detailed statement of a dangerous fact and perilous conditions. As little as we may regard it the truth is that to-day we are confronted with the same power, the same perilous situation, and the sooner we realize this fact and retrace our steps the better it will be for the country.

Mr. President, in conclusion, permit me to say that the passage of the pending bill will not produce the gratifying results claimed by its friends. It may restore for the time being a certain degree of confidence amongst bankers, stock-gamblers, and other classes of this description. It may increase the price of stocks. It may stimulate stock-gambling, but it will not increase the value of the produce of the field and the farm and the factory to the extent of a single farthing. It may open a few furnaces and forges and start the wheels of a few manufacturing industries, but it will bring no general or permanent prosperity.

The trouble lies deeper than the Sherman law. Pain and suffering will continue until the cause of the disease is removed. We shall have no permanent or general prosperity until all the

national banks are wiped out and we have a sound currency composed of gold, silver, and Treasury notes. In addition to this, your trade and tariff laws must be remedied, and the unconstitutional and unnatural restrictions placed upon our trade and commerce must be removed in order that the markets of the world may be open to our agricultural and other products. Equality and justice must be the standard upon which all this legislation is based. And our trade laws must be corrected so that our commerce shall have an equal footing in the markets of the world with all the nations of the earth. The sails of our merchant marine should girdle the globe; and the flag of our country should be daily and hourly welcomed in every harbor and port in the world; but these happy results can not be attained so long as our present false, imprudent, and unpatriotic policies prevail.

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