

SILVER.

The Friend of the Farmer and the Miner.

FACTS FOR FARMERS.

“Tell the miners for me that I shall promote their interests to the utmost of my ability, because their prosperity is the prosperity of the nation; and we shall prove in a very few years that we are indeed the treasury of the world.”

—*Abraham Lincoln, the “Liberator.”*

REMARKS

OF

HON. THOMAS C. POWER,

OF MONTANA,

IN THE

SENATE OF THE UNITED STATES,

TUESDAY, OCTOBER 3, 1893.

WASHINGTON.

1893.

REMARKS
OF
HON. THOMAS C. POWER,

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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. POWER said:

Mr. PRESIDENT: The debate upon the proposition to repeal the silver-purchase clause of the so-called "Sherman act" has taken wide range, and the further we proceed in the discussion, the more momentous the issues appear to be.

This is a question not to be idly ignored, nor swept away by the impatience of the advocates of repeal, or the clamors of such of the metropolitan press as arrogantly demand that debate shall be restricted and a vote reached without delay. In this purview, I fancy that certain Senators who originally conceived that the repeal of the silver-purchase law was so simple and pressing a matter as to warrant little if any deliberation on the part of this great body, now comprehend, or should comprehend, that the issues presented are broader and more far-reaching than they at first supposed, and that the economic questions involved are of paramount importance not only to our own country but to the civilized world.

Mr. President, we must further consider that what will be determined at this time by the legislative branch is not for a day, but for all time, and that the discussion of the subject, pro and con, goes upon the country's record and must stand there as enduring testimony of our own acts, to be judged by all the people of the country. It seems, to my mind, that these Senators should give more willing ear to and thereby improve the lessons of the hour, rather than seek to belittle and brush them aside. In this connection it may be proper to observe that, as debate has progressed, a few of the advocates of unconditional repeal seem to manifest a growing and healthier interest in many of the views and propositions advanced by their opponents and, were it not for the unfortunate circumstances by which they are environed, they might possibly tear off the disguise in which some, at least, have been forced to masquerade, and echo the words of Agrippa to Paul, "Almost thou persuadest me!"

With due respect to the distinguished Senators who urge repeal of the silver-purchase law, I must express the profound conviction that the strength, truths and logic of the arguments

have been on the side of those Senators contending for the preservation of silver as a money metal, and who demand that the proposed repeal should be accompanied by appropriate legislation which shall prevent its demonetization. I contend that not a single argument has been interposed by the supporters of the pending bill justifying this unconditional repeal.

On the repeal side is seen a possible bare majority, presenting and pressing the demands of the money centers and banking institutions for the demonetization of silver, and, as a necessary consequence, seeking to enhance the purchasing power and value of gold; while on the anti-repeal side, the friends of silver, almost equal in number, contend that the white metal shall be protected in its legitimate function as money, and battle against the establishment of the single gold standard.

HOW THE REPEAL BILL WAS RAILROADED THROUGH THE HOUSE—THE CONSPIRACY TO DEMONETIZE SILVER.

The influence of aggregated capital has found little difficulty in engaging the sympathy of the Executive, and the Executive in turn, with its great power, commands the subservience of the legislative branch. Impatient of restraint, the self-same influences were potent enough to narrow the limit of debate to two weeks on the bill which comes to the Senate, and in which the speedy concurrence of this deliberative body is demanded. Picture it! Think of it! Only two weeks' discussion of a subject of immediate and vital importance to 67,000,000 of our people has been permitted to 356 gentlemen of the House, chosen to represent their interests in the councils of the nation! This indecent haste, however, is sought to be extenuated by the plea of the existence of a great financial panic, which could only be allayed by the prompt and unconditional repeal of the silver-purchase law. This was the sum and substance of the President's message, and obtained large credence on that account.

The projectors of the measure, the conspirators who impregnated the monster and gave it birth, knew better, and they laughed in their sleeves over the trick they had played. They manufactured a spurious alarm by the exportation of gold, and cried "wolf" when there was no wolf. But the wolf did come when least expected, in the shape of a currency famine, which hoist them with their own petard; and but for the latitude given in the construction of the law, by which the banks in New York and other import cities were permitted to issue clearing-house certificates to banks and certified checks to depositors in lieu of currency, collapse would have been inevitable.

Meanwhile, the money-changers and experts, who are always on the alert to take advantage of financial distresses, "cornered" the currency and profited to the extent of millions by selling the circulating medium at a premium and cashing certified checks at a discount. Even the despised silver dollar brought a premium as high as 3 per cent. Thus many were plundered right and left by the vicious schemes of the large money centers; but happily the end was near. Unable to longer cloak the conspiracy, the true situation became revealed, and confidence returned even more speedily than it had vanished. Then it was that the people recognized that the silver-purchase law had been made a miserable scapegoat, and it is now conceded on

all sides (save by a few perverse persons, who either believe they should cling fast to their idol or conclude that they must be consistent in their many inconsistencies) that the Sherman act was in no wise responsible for the panic at any period of its existence.

The Executive can not, in reason, avoid reaching the same conclusion; but as there are none so blind as those who will not see, the President clings to his original delusion with a zeal worthy of a better cause. If this stubbornness were only confined to the Executive it would be powerless for evil, but, unfortunately, his dictum carries weight with and his commands are obeyed by a considerable number of gentlemen who are situated so as to be potential in the crusade against silver. Hence, this debate is maintained on the silver side with the undisguised but honest purpose of preventing, if possible, the repetition of the crime of 1873, with its concomitants of wretchedness, of poverty, and of distress, to be brought upon the farmers, artisans, and wage-earners of the country.

FORCING COMPLIANCE WITH PRESIDENTIAL CAPRICE.

The situation that confronts us is simply this: The silver-purchase law is shown, by the inexorable logic of events, to have been but a very small speck in the horizon of the late financial panic. Nevertheless, the Administration and its supporters insist upon the unconditional repeal of a law which, while it falls far short of what the friends of free-silver coinage desire, has nevertheless operated beneficially in aiding in the much-needed supply of circulating medium. In the meantime, Congress is kept in session for the distinct purpose of forcing compliance with Presidential caprice.

The advocates of silver are here not to "cry havoc and let slip the dogs of war," but to protest against the commission of the grievous wrong of demonetizing silver, confessedly the objective purpose of the pending bill. If the President and his followers be anxious that Congress should disperse, why do they not cease their efforts to pass this bill? The advocates of the proposed repeal are the ones who are placed in the attitude of hindering and delaying, and they are the obstructionists. The opponents of the pending measure are employing their best efforts to prevent a recurrence of the panic, which is certain to follow in vastly increased dimensions should silver be demonetized.

It is not my purpose, Mr. President, to go over the same ground and attempt to reënforce what has been so ably, intelligently and patriotically said by the distinguished Senators who have addressed this body in opposition to the pending bill. They have all presented arguments worthy of this great occasion, which will pass into history as memorable in the discussion of a question than which no more important national issue has arisen in the financial experience of the country. But this reminds me, Mr. President, that I have heard like forceful, logical, and eloquent pleas in favor of silver fall from the lips of various Senators and public men of high distinction who now repudiate, here and elsewhere, their former utterances, and deny and drive from shelter their own progeny.

THE MOVEMENT IN FAVOR OF GOLD, NOT SILVER, IS A LOCAL ONE.

I now propose, Mr. President, to touch upon certain facts and conditions seriously involved in the pending question, which I conceive to be of paramount importance in this discussion. The distinguished Senator from Ohio [Mr. SHERMAN], in a speech delivered in this Chamber at the last Congress, made the statement that the movement in favor of silver money was a local one. Let us see where this charge of locality properly belongs. The demand for the single gold standard emanates principally from the older and wealthier States and the chief manufacturing centers, where the money holdings are large and where it is desired to increase their purchasing value. The financial policy of these sections, beyond all doubt or cavil, is to strengthen their hold upon aggregated capital and increase its power by retarding the advance of other sections on which time and procured legislation have not so far conferred such signal benefits.

The gold standard or monometallic policy is mainly restricted to a territory composed of the money centers of New England and the large cities in the Middle States. The shrewd financiers of these localities, however, have discovered that a very marked sentiment in favor of free silver coinage has recently been manifested in their midst, and that the views of the people inhabiting the vast territory of the West and South, reprehending the single gold standard and favoring bimetallism, has found substantial lodgment among the farmers, artisans and laborers of the East. It was the very fear of this encroachment of silver upon the sacred soil of the single gold standard which has forced the specious cry that the silver movement was merely local.

The sturdy yeomanry of the East, educated by the principles of their Western and Southern brethren, now understand that those who favor contraction of the currency are the capitalists, well supplied with gold, good debts, and interest-paying mortgages. They see that when the circulation is restricted to a gold basis the greater is its value and the larger its purchasing power, while, on the other hand, such contraction can operate only distressingly upon the farmer and workman by forcing them to give more and more of their product and labor in order that they may reach the purchasing power. The farmer must barter two or more bushels for the money which only one bushel commanded before, and the laborer must double his hours of toil in the effort to live upon the wages he earns.

The theory that as money becomes dearer everything else becomes cheaper and hence things equalize themselves, is a mischievous fallacy, because the poorer classes must thereby suffer for the aggrandizement of the capitalist, who not only enjoys the benefit of the increased purchasing power of his money, but filches from the farmer and laborer by cheapening the value of their products. All that the capitalist possesses comes to him indirectly at the cost of the laborer who must work more, and the farmer who must produce more, and the miner who must bring forth more; and yet they receive only the same measure of return.

With money scarcer, investment and enterprise almost cease.

Investment and enterprise comprehend the hiring of labor and consumption of the products of the soil. Were all investment and speculation to cease, not only would the laborers stand idly by, but the farmer's products perish. Consider the conditions which have recently come to the States of Colorado, Idaho, Montana and other precious metal producing localities, where, by the cessation of the mining industry and its accessories, thousands of industrious, thrifty laborers and good citizens have been forced, with their families, to the very threshold of starvation, and made wanderers and tramps.

THE WESTERN FARMER AT THE MERCY OF THE EASTERN MONEY-LENDER.

Permit me, Mr. President, to invite attention to another and no less important phase of the situation.

The United States is a debtor country, and many of the States, especially those of the West, are large borrowers, because the necessities of the advancement of civilization require money for its development. When a sum of money is borrowed, there is a moral as well as a legal obligation to repay it with interest for its use, and the loan is contracted on an apparent and possible return, under existing circumstances, of, say, 10 or 15 per cent. Before the debt falls due, the money centers have contracted the currency and established the single gold standard, and the investment which, at the outset, promised rationally a fair return, entails an absolute loss. The stringency not only prevents further loans, but forbids realization upon the investment. Unable to meet the obligation, bankruptcy ensues.

This has been the common experience in the Western States, which have been developed largely by men without capital other than their brawn and muscle and enterprise. They have penetrated the wildernesses of the West, and by their thrift, industry, and perseverance, erected happy homes and churches and schoolhouses in localities where, but a brief space since, only the Indian trod and the wild game roamed at will. The naked prairie was made to give forth the abundance of the harvest and the stubborn soil to yield to the plow and harrow.

But all this has not been accomplished without pecuniary outlay. Horses, cattle and agricultural implements were necessities of the situation. The average prospective farmer who enters Government land is compelled to have some ready money wherewith to carry on his improvements, and he finds it accessible from the agents of some of the numerous land-investment companies representing the accumulated capital of the Eastern States, eager to place their money at good interest in mortgages on improved farms in the West.

When the farm is properly equipped, it is encumbered by mortgage or deed of trust for say \$4,500, based on 320 acres at \$15 per acre, at say, 10 per cent interest. The farmer produces wheat. In 1873, when our mints were open to free coinage of both silver and gold, he would have been obliged to set aside 344 bushels only wherewith to pay his interest, wheat then commanding \$1.31 per bushel. But under present circumstances, when wheat has fallen in price because of the vicious legislation aimed at silver, he must sacrifice 688 bushels, double the amount, to

meet the interest, computing wheat at 65 to 66 cents per bushel, the present highest price. Since wheat can not be produced at that price without loss, or absence of all profit, the farmer must go to the wall. The mortgagee forecloses on the farmer's land, the farm is sold under the hammer, and his wife and children no longer have a home. All the long years of toil and thrift, and earnest striving to succeed, have gone for naught, while the Eastern money-lenders simply augment their gold-standard holdings. This is no overdrawn picture, Mr. President. It has been common experience in all localities of the West.

THE PRICE OF WHEAT AND COTTON DEPRECIATED BY COMPETITION WITH INDIA—THE IMMENSE SUMS LOST TO AMERICAN FARMERS THROUGH ENGLISH GOLD STANDARD OPERATIONS.

I will go further in the same line of suggestive argument. I have only instanced the decline in the price of wheat, which shows an average depreciation since 1873 of about 50 per cent. In 1873 the market value of cotton was 18.8 cents per pound. It sells now for 8 cents. In 1873 silver was worth \$1.29 per ounce. Now it is quoted at about 73 cents. Take the combined annual output from 1873 to 1893, and compute the depreciation of price, and the figures show that the wheat-producers have lost since 1873 the sum of \$1,900,000,000, the cotton-planters \$2,900,000,000, and the miners \$100,000,000. These figures are based upon the statistical report of Mr. Ivan C. Michels, made to the Senate Committee on Mines and Mining, computed up to 1890.

That this immense loss to the American producer is clearly attributable to the organized crusade of the gold standard against silver is an acknowledged and indisputable fact. The farmers and planters certainly understand that should the silver-purchase law be unconditionally repealed, the price of silver must fall as a consequence of its demonetization.

American wheat and cotton are staple articles of export, and our great rival in these products is the British possessions in India. It is an accepted fact that an ounce of silver bullion will always purchase a bushel of wheat in India and pay its transportation to Liverpool. To compete with India-grown wheat, the American farmer must be able to lay down his bushel of wheat in Liverpool for an ounce of silver. But if this ounce of silver be worth say 75 cents in gold, then all the American farmer can realize in gold is 75 cents per bushel, less the cost of freighting it across the Atlantic. Thus, if the farmer shall deduct the cost of transporting a bushel of wheat from Chicago to Liverpool from the price of silver bullion, he will then have approximately the price of a bushel of wheat at Chicago.

Calculating the cost of transporting wheat from Chicago to Liverpool, including storage, insurance, and brokerage, to be 15 cents per bushel, and silver bringing 75 cents per ounce, then wheat in Chicago would be worth 60 cents. But if silver were at par, as it would be under free coinage, an ounce of silver would be worth \$1.29, and the value of a bushel of wheat in Chicago, less 15 cents cost of transportation to Liverpool, would be \$1.14. Hence, as silver rises or falls above or below 75 cents per ounce, so must the price of wheat vary in the same proportion.

The deduction from this postulate is clear. The farmer in East India gets the same price for his wheat now as he did twenty years ago, while the American farmer does not obtain quite two-thirds as much, the loss being considerably over one-third, and this loss inures to the benefit of the English middlemen, manufacturers, and operators. This process, under English gold standard manipulation, has stimulated to an enormous degree the growth of wheat and cotton in India, and its augmentation in the wheat product has steadily increased, according to accepted statistics, from 730,485 bushels exported from India in 1873 (when silver was demonetized here), to the amount of 59,000,000 bushels exported in 1892. The loss to the American farmers would therefore average not less than from \$175,000,000 to \$250,000,000 on each of our annual wheat crops.

WHAT THE WHEAT-GROWERS OF THE TWO DAKOTAS, MINNESOTA, AND OREGON HAVE LOST THROUGH DEPRECIATION IN THE PRICE OF SILVER.

While commenting on the subject of loss to the American farmer by reason of the depreciation in the price of wheat, it would seem proper to present a striking exhibit showing the extent of this loss to certain wheat-growing sections of the extreme West. The statistics show that the total wheat production of the two Dakotas aggregated, from 1883 to 1892, inclusive, a total of 418,164,000 bushels. The average price of wheat on January 1, 1883, was \$1.30 per bushel. Up to September 1, 1893, this average had been reduced to 70 cents per bushel, or a loss of 46 per cent, incurring an estimated loss to the farmers of the two Dakotas of \$19,235,544 for the year ending September 1.

The total wheat production of the State of Minnesota aggregated for the same period a total of 396,756,200 bushels. The reduction in price from \$1.30 per bushel in 1883 to 70 cents per bushel, the current average price on September 1, 1893, shows that the estimated loss to the farmers of Minnesota last year aggregated \$18,250,785.20.

The total wheat crop of the State of Oregon for the same period was 133,763,490 bushels. Computing the reduction of price from \$1.30 per bushel in 1883 to 70 cents, average in 1893, we find that the farmers of Oregon were mulcted last year in the sum of \$6,153,116.40. The total estimated loss to the farmers of these four States last year amounted to \$43,639,445.60, as between the prices of wheat in 1883 and 1893, or within two millions as much as the value of the total production of gold in the United States for the same year. Add to this the similar losses sustained by the wheat-producers in the States of Iowa, Missouri, Nebraska, Kansas, California and Washington, all wheat-growing sections, consequent upon the present depreciated price of wheat, and it is easily seen that they will aggregate many hundreds of millions of dollars.

Deprive silver of its money function, and paralysis of all the agricultural industries of the West must inevitably follow, as I shall undertake to show hereafter. With agriculture thus depressed, what, I ask, will be the effect upon the kindred industries which constitute the intercommerce and transportation of the country gravitating from the Atlantic to the Pacific?

THE EFFECT UPON COTTON—ENGLAND DESIRES THE RUIN OF THE WHEAT
AND COTTON INDUSTRIES OF AMERICA.

The effect on American cotton is naturally the same as upon wheat. A rupee will purchase about 4 pounds of India cotton and pays its transportation to Liverpool. An ounce of silver, being equivalent to 2½ rupees, will buy 10 pounds of cotton and lay it down at Liverpool. With silver at \$1.29 an ounce, a pound sterling will pay for 40 pounds of cotton delivered at Liverpool, which would be about 12½ cents per pound for the American product. At 75 cents per ounce for silver, a pound sterling will buy over 6 ounces of silver, which, converted into rupees, will pay for over 60 pounds of India cotton delivered at Liverpool. Sixty pounds of cotton at Liverpool for a pound sterling is about 8 cents per pound there, or something less than 6½ cents per pound at Memphis. A large crop in India or a short crop in the United States will, of course, vary these relations, but the general effect of the fall in price of silver is correctly stated.

According to official statistics, the exports of cotton from India have increased in value from \$39,570,000 in 1879 to \$82,665,000 in 1892, and are still increasing. The immense loss thus entailed upon our cotton producers is clearly revealed, and fully corroborates the prediction made in 1886 by Sir Robert N. Fowler, M. P., the banker and ex-mayor of London, that—

“The effect of the depreciation of silver must finally be the ruin of the wheat and cotton industries of America, and the development of India as the chief wheat and cotton exporter of the world.”

This is exactly what England has sought to accomplish for the past quarter of a century, and the efforts of that country to thus supplant the wheat and cotton producing interests of America are supplemented, possibly by indirection, possibly by direction, in the Congress of the United States. It has been, and is now, the steadfast policy of English financiers and publicists to become practically independent of the wheat and cotton supply from the United States, so that the balance of trade will be against us eternally, and the gold which should come back to us in payment for our exported agricultural products remain in the vaults of the Bank of England.

HOW ENGLAND SEEKS TO INCREASE HER CARRYING TRADE—STATISTICS
SHOWING THE GREAT INCREASE OF WHEAT EXPORTS FROM INDIA AND
GREAT DECREASE OF WHEAT EXPORTS FROM THE UNITED STATES.

There is another and vastly important moving influence which intensifies this English policy to which, Mr. President, I venture to direct the earnest attention of the Senate. The consular reports published at the Department of State show that agriculture in England has gradually diminished until it has become practically an extinct industry. With the commercial experience and prudence which characterize the business practices of the English people, their great wealth, thus diverted from agriculture, has been centered into manufactures and in the carrying trade of the seas. To extend the markets for her manufactures the English Government shrewdly subsidizes steamship lines to her India possessions and other localities in the Eastern waters, where that country enjoys practically a monopoly of the commercial trade.

But, in order to make her carrying trade profitable and stand as the ally to her exports of manufactures, England found it necessary to secure return freights, since it would not pay to confine these freights to outward-bound bottoms and have the ships come back largely in ballast. Therefore it was determined to stimulate the growth of wheat and cotton in India and thus furnish freights to the ships returning home. To accomplish this end it became necessary to depreciate the price of silver and furnish cheap silver to the India mints, so that the enhanced purchasing power of the coined rupee might operate to drive out the competition of American wheat and cotton. Hence, as this process fostered the production of wheat and cotton in India, the profits of the carrying trade, outward and homeward, were secured.

It is evident that if our surplus wheat and cotton went abroad at the prices they would bring with silver at \$1.29 per ounce, the same quantity would net us over 40 per cent more, or pay 40 per cent more debt, and thus there would be that much less balance of trade against us to be paid in gold. As the value of gold increases, so the value of silver diminishes, and relatively the value of everything else falls. But, owing to the peculiar relations of silver to the trade of India, American wheat and cotton must suffer in proportion to the degradation of silver, and hence the farmers of America are subjected to immense losses.

The following comparative tables show the exports of wheat from India and the United States from 1881 to 1891, inclusive. It will be observed that the export of wheat from India increased from 13,876,166 bushels in 1881 to 50,951,600 bushels in 1891, while the export of wheat from the United States diminished from 150,712,509 bushels in 1881 to 55,131,948 bushels in 1891, a loss of over 95,000,000 bushels and a diminution in value from \$167,845,956 to \$51,426,272, representing a money loss to our farmers of \$116,419,684 for 1891 as against 1881. I will ask leave to insert the following table with my remarks, taken from reports of the Agricultural Department.

The PRESIDING OFFICER (Mr. GALLINGER in the chair). Without objection, leave will be granted.

Table showing exports of wheat from India and from United States, for the years 1881 to 1891, inclusive.

[From the report of the Department of Agriculture.]

Year.	India.		United States.	
	Bushels.	Value.	Bushels.	Value.
1881	13,896,166	\$12,783,972	150,712,509	\$167,845,956
1882	37,148,543	33,618,241	95,962,407	113,827,376
1883	26,495,024	23,502,820	137,352,342	129,837,129
1884	33,202,636	34,070,957	70,450,007	75,130,427
1885	29,586,445	23,874,549	84,935,183	73,188,000
1886	39,328,658	28,579,032	59,105,141	50,558,882
1887	41,558,765	29,845,910	102,330,395	91,002,474
1888	25,271,249	18,467,079	68,279,993	56,627,546
1889	32,874,628	21,300,192	46,635,621	41,846,064
1890	25,764,123	19,231,481	54,558,144	45,387,931
1891	50,951,600	-----	55,131,948	51,420,272

STATISTICS SHOWING THE EFFECT OF DIMINISHED VALUE OF SILVER UPON THE MARKET VALUE OF WHEAT AND COTTON—ROBERT P. PORTER'S EDITORIAL IN THE NEW YORK "PRESS."

Mr. POWER. Let us see what effect the diminished value of silver exercises upon the market value of wheat and cotton. The following table shows the value of silver per ounce and the market value of cotton per pound and wheat per bushel from 1872 to 1893, inclusive:

Comparative table showing decline in prices of silver, cotton, and wheat.

Year.	Silver.	Cotton.	Wheat.	Year.	Silver.	Cotton.	Wheat.
		<i>Cents.</i>				<i>Cents.</i>	
1872-----	\$1.32	19.3	\$1.47	1883-----	\$1.11	10.8	\$1.13
1873-----	1.29	18.8	1.31	1884-----	1.01	10.5	1.07
1874-----	1.27	15.4	1.43	1885-----	1.06	10.6	.86
1875-----	1.24	15.0	1.12	1886-----	.99	9.9	.87
1876-----	1.15	12.9	1.24	1887-----	.97	9.5	.89
1877-----	1.20	11.8	1.17	1888-----	.93	9.8	.85
1878-----	1.15	11.1	1.34	1889-----	.93	9.9	.90
1879-----	1.12	9.9	1.07	1890-----	1.04	10.1	.83
1880-----	1.14	11.5	1.25	1891-----	.90	10.0	.85
1881-----	1.13	11.4	1.11	1892-----	.86	8.7	.80
1882-----	1.13	11.4	1.19	1893-----	.75	7.0	.66

It will be observed from the foregoing figures that cotton and wheat suffered loss in price almost in exact proportion to the diminution in price of silver.

I am aware, Mr. President, that this proposition is sought to be explained by the contention that too much wheat has been and is produced, and that therefore the laws of supply and demand govern the rise and fall of prices. This view, however, is wholly untenable, because, as has been clearly and forcibly shown by the senior Senator from North Dakota [Mr. HANSBROUGH], that, according to the official reports of the Department of Agriculture, the world's supply of wheat and its prices have steadily diminished since the great crop of 1887, which aggregated 2,266,331,368 bushels. In 1888 the crop was 45,000,000 bushels less; the crop in 1889 was 191,000,000 bushels less than in 1887; in 1890 it was 94,000,000 bushels less than in 1887; in 1891 it was 61,000,000 bushels less than in 1887; in 1892 it was 49,000,000 bushels less than in 1887, and in 1893, it is estimated, the crop will be 166,000,000 bushels less than in 1887, the average export price of wheat that year being 89 cents. Prices have steadily diminished from 89 cents in 1887 to about 60 cents in 1893, while in North Dakota, as the Senator from that State has explained, wheat has been down as low as 40 cents per bushel.

While upon this subject, I send to the Secretary's desk to be read an editorial from the New York *Press* of September 15, of the present year, which I regard as peculiarly significant, coming as it does from the pen of Robert P. Porter, the editor of that journal. Surely some light is breaking in upon New York journalism.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

HAS GOLD APPRECIATED?

Contention is made by some of the advocates of the single gold standard that the value of gold is a permanent quantity, and that the quality which peculiarly commends the metal as a measure of value is that it is stable—it stands; in short, that it is unchangeable. We venture the assertion that there are few men of reputation in financial science in this or any other country who would express such an opinion.

An examination of the subject will prove that the theory of the stability of gold is completely untenable. If there were but two kinds of flesh food, beef and mutton, and a law should be passed forbidding mutton to be used as food, what would be the effect upon beef? The price would at once rise. If there are but two money metals in the world, silver and gold, and the law should deprive silver of its money function, its debt-paying quality, is it not equally certain, the demand being concentrated upon gold, that gold would rise in value? In that event, what phenomenon with respect to the prices of commodities would be observed? Must they not decline, and for the reason that the volume of metallic money having been reduced by one-half, more commodities would be required to obtain possession of gold? And, as the volume of business expanded, in a time of profound peace, creating a continuously increasing demand for gold, would not prices persist in falling all along the line?

These results could have been clearly foreseen in 1873 by any thoughtful man. They are results that may be observed now by any man who will merely open his eyes. Prices of all the staple commodities have been falling steadily for twenty years. The decline began in the year 1873, when silver was demonetized here and in Europe, and it is attributable chiefly to the fact that the material in which all other values are measured has itself advanced in value. If further proof were required, it may be found in the fact that prices in silver-using countries have not declined, but silver today buys as much of any other commodity as it bought two decades ago.

It is asserted that this theory is not sound because the price of labor has not fallen. But labor is not a mere inanimate commodity. It has a resisting force and that force has been made effective by organization against the influence which would thrust down wages. It is urged that mechanical inventions and improvements in processes have put prices down. But there has been no great labor-saving invention of a revolutionary character since 1873. The cost of producing wheat in some regions has been reduced, but in no such degree as to account for a 60 per cent fall in the value of the cereal. Cotton has declined nearly 50 per cent; but in what particular are cotton culture and cotton picking any less costly than they were twenty years ago? No evidence can be produced to sustain the claim that the planter has any considerable advantage now that he did not have then.

Every gold monometallist insists that the full remonetization of silver would decrease the value of existing debts. This, indeed, is the main argument used against remonetization. But, if to remonetize silver in 1893 would be to decrease debts, was not the result of demonetization in 1873 necessarily to increase them? Can it be seriously held that the argument is good in one case and not in the other? Why would silver remonetization decrease debt? Because it would depreciate gold. Why did silver demonetization increase debt? Because it appreciated gold? Suppose gold should be demonetized, as silver was, and silver should be made the sole standard? Who will venture to urge that the value of gold would remain stable? Beyond dispute it would fall far below the value of silver, for silver would at once advance. It is possession of the money function that gives value to gold, and the loss of it that depreciates silver.

With the question of the morality of decreasing the dimensions of debt by legislative action we do not propose now to deal. But the man who contends that it would be immoral to remonetize silver for that reason must confess that it was equally immoral to demonetize it in 1873. The truth is that every creditor is benefited by that which increases the general prosperity of debtors. The man in New York who holds Kansas mortgages can not, in the long run, profit by a system that urges his debtors toward bankruptcy. What the wealth producers of all lands require is that there should be such stability of values as will permit no change for or against the creditor or debtor, and that stability can be had only by resort to bimetalism.

CENSUS STATISTICS SHOWING THE INCREASE IN THE NUMBER OF AGRICULTURISTS IN THE MINING STATES THE LARGEST PER CENTAGE OF INCREASE IN THE UNITED STATES—AGRICULTURE AND MINING GO HAND IN HAND.

Mr. POWER. Mr. President, the North Atlantic division, consisting of the States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, and Pennsylvania, contains, according to the Eleventh Census (1890), a population of 17,401,545, of which, it is estimated, 1,225,892 adult males are engaged in agricultural pursuits. In 1880 these States contained a population of 14,507,407, of which 1,039,601 were agriculturists, being increases in 1890 of 2,894,138 in population and 186,291 in the number of agriculturists, or an increase in the latter class of 15.19 per cent.

The population of the South Atlantic division, consisting of the States of Delaware, Maryland, District of Columbia, Virginia, West Virginia, North Carolina, South Carolina, Georgia, and Florida, contains a population of 8,857,920, of which 1,892,696 are agriculturists. In 1880 these States contained a population of 7,597,197, of which 1,618,391 were agriculturists, being increases in 1890 of 1,260,723 in population, and 274,305 in the number of agriculturists, or an increase in the latter class of 14.50 per cent.

The North Central division, consisting of the States of Ohio, Indiana, Illinois, Michigan, Wisconsin, Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas, contains a population of 22,362,279, of which 3,555,018 are agriculturists.

In 1880, these States contained a population of 17,364,111, of which 2,716,810 were agriculturists, being increases in 1890 of 4,998,168 in population and 838,208 in the number of agriculturists, or an increase in the latter class of 23.53 per cent.

The South Central division, consisting of the States of Kentucky, Tennessee, Alabama, Mississippi, Louisiana, Texas, Indian Territory, Oklahoma, and Arkansas, contains a population of 10,972,893, of which 2,610,180 are agriculturists. In 1880 these States contained a population of 8,919,371, of which 2,116,570 were agriculturists, being increases in 1890 of 2,053,522 in population and 493,610 in the number of agriculturists, or an increase in the latter class of 18.90 per cent.

The Western division, consisting of the States and Territories of Montana, Wyoming, Colorado, New Mexico, Arizona, Utah, Nevada, Idaho, Washington, Oregon, and California, contains a population of 3,027,613, of which 325,029 are agriculturists. In 1880 these States contained a population of 1,767,697, of which 179,121 were agriculturists, being increases in 1890 of 1,259,916 in population and 145,908 in the number of agriculturists, or an increase in the latter class of 44.89 per cent.

The following is a comparative table showing by divisions the increases in population and in the number of agriculturists, approximately, in 1890 and 1880, with percentages of increase in the number of persons engaged in agricultural pursuits:

Comparative table showing, by divisions, increase in population and in the number of agriculturists, approximately, 1890 and 1880, with percentage of increase in number of agriculturists.

Divisions.	Population.		In-crease.	Number of agric-ulturists.		In-crease.	In-crease of agric-ulturists.
	1890.	1880.		1890.	1880.		
North Atlantic.	17,401,545	14,507,407	2,894,138	1,225,822	1,039,601	186,221	<i>Per ct.</i> 15.19
South Atlantic.	8,857,920	7,597,197	1,260,723	892,696	1,618,391	274,305	14.50
North Central.	22,362,279	17,364,111	4,998,168	3,555,018	2,716,810	838,208	23.53
South Central.	10,972,893	8,919,371	2,053,522	2,610,180	2,116,570	493,610	18.90
Western	3,027,613	1,767,697	1,259,916	325,029	179,121	145,908	44.89

The figures in the foregoing table reveal some very interesting statistical facts. The population of the North and South Atlantic divisions, or Atlantic Coast States, aggregates 26,259,465, while that of the North and South, Central and Western divisions, lying west of the Apalachian range, aggregates 36,362,785, or an excess of 10,103,320. The number of persons, adult males, engaged in agricultural pursuits in the United States, aggregates 9,608,815, of which 3,118,588 are located in the North and South Atlantic divisions, and 6,490,227 west of the Apalachian range, or an excess of 3,371,639 of the latter over the former. These figures show that, while the excess of population of the entire West over the East is less than three-fifths, the excess of persons engaged there in agricultural pursuits is more than double, or over 100 per cent.

The table also shows that while the gross percentage of increase in 1890 over 1880 in the number of persons engaged in agriculture in the North and South Atlantic divisions aggregates 29.69 per cent, the increase in the North and South Central and Western divisions aggregates 87.32 per cent, or an excess of about 66 per cent. The remarkable fact, however, is exhibited that the Western division, which comprises all the mining States and Territories, increased in the number of persons engaged in agricultural pursuits from 179,121 in 1880 to 325,029 in 1890, an augmentation of 145,908 or 44.89 per cent. This is 15.20 per cent more than the combined percentage increase in the number of agriculturists of the great North and South Atlantic divisions and 2.43 per cent more than the aggregated percentage increase of the immense North and South Central divisions, the great farming belt of the United States.

In 1880, Montana had but 4,513 persons engaged in agriculture. In 1890, this number had increased to 15,230. In Wyoming the number increased from 1,639 to 4,785; in Colorado from 13,539 to 28,718; in New Mexico from 14,139 to 18,162; in Arizona from 3,435 to 5,064; in Utah from 14,550 to 21,011; in Idaho from 3,858 to 9,983; in Washington from 12,781 to 59,449; in Oregon from 27,091 to 48,637, and in California from 79,396 to 110,918.

These figures demonstrate that the mining industries have operated to develop agricultural interests, and that mining and agriculture have progressed hand in hand. To destroy or im-

pair the mining industry, as contemplated by the pending bill, is to destroy or impair agriculture. The laws of demand and supply operate in this instance with marked effect. The mining population must have food, and this necessity is supplied by the farmers.

The more prosperous the mining industry, the more prosperous is agriculture, the products of which find immediate and well-paid markets. The precious metals, produced by the brave and hardy miners from the bowels of the earth, furnish employment to the artisans and laborers engaged in the great allied industries. The transportation of ores supplies freights to the transcontinental railroad carriers and trunk lines. It must be considered, also, in reviewing these conditions, that agriculture in the Western division is confronted with many difficulties. In most localities irrigation is absolutely necessary, and to irrigate requires the employment of large capital for the construction and maintenance of water-way ditches, which give employment to laborers who, in turn, must be supplied with the necessaries of life at the hands of the farmer.

A REMARKABLE TRIBUTE TO THE WEALTH OF THE MINING REGION FROM THE PEN OF HON. JOSEPH NIMMO, JR., LATE CHIEF OF THE BUREAU OF STATISTICS, UNITED STATES TREASURY DEPARTMENT.

In this connection, Mr. President, I take the liberty of sending to the Secretary's desk and request to have read a noteworthy communication from Hon. Joseph Nimmo, jr., published in the *Washington Post* of September 15, last. It is hardly necessary to state that Mr. Nimmo was for many years chief of the Bureau of Statistics under the Treasury Department, and is recognized as standard authority, both in the United States and abroad, on many of the questions entering into or allied with the science of political economy. Mr. Nimmo's discussion of the particular relations existing between the mining and agricultural interests of the Western division and the interests of the common country is stated with most commendable vigor and correctness.

THE PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Secretary read as follows:

THE SILVER QUESTION—CERTAIN COMMERCIAL CONSIDERATIONS INVOLVED WHICH HAVE BEEN OVERLOOKED.

EDITOR POST: There are certain commercial considerations closely related to the present discussion of the silver question and having an important bearing upon the just and beneficent settlement of that question, but which during the present discussion appear to have been overlooked.

The silver product of the United States, with the small exception of about 1 per cent, is the product of the arid region, an area extending from the western parts of the Dakotas, Nebraska, Kansas, and Texas at the East to the Coast Range and the Sierra Nevada Range on the Pacific Slope. The dimensions of this area are about 1,200 miles from north to south and 1,300 from east to west. Its chief mineral products are gold, silver, copper, and lead—almost all of which is exported to States outside of that region.

The agriculture of the arid region, in so far as relates to the culture of the soil, is dependent entirely upon irrigation. But irrigation, although profitable, involves large expenditures. The arid region is, however, a vast and exceedingly productive pastoral region, yielding an enormous annual exportable product of horses, cattle, sheep, and wool. In consequence of the large preponderance of the mining and pastoral interests of this vast area over those of agriculture, every State and Territory of the arid region is a

large importer of grain, hay, lumber, vegetables, provisions, and bread-stuffs. Machinery and general merchandise are also imported in large quantities from other parts of the country. The total annual value of such imports is about \$200,000,000.

The total value of the annual exports of the arid region amounts to about \$240,000,000, of which silver stands at the head, amounting to about \$75,000,000.

But silver mining sustains to the commerce and productive industries of the arid region relations far transcending its arithmetical proportion of the value of the total surplus products of that region. Silver is the primary source of the commerce, agriculture, and industrial prosperity of that vast area. Strike it down and you paralyze the business interests of that whole area.

The total value of the commerce of the arid region with the other States of the country, including imports, \$200,000,000, and exports, \$240,000,000, amounts to the enormous sum of about \$440,000,000 annually. This exceeds by \$100,000,000 the total value of the combined commerce of the United States with Mexico, Central America, South America, and the West India islands. This commerce centers at St. Paul, Milwaukee, Chicago, St. Louis, Boston, New York, Philadelphia, and many other points at the East.

Stop for a moment and consider the enormous import of these facts. For several years the country has been deeply concerned about reciprocity with the countries of Central and South America and the West Indies, and about the project of an intercontinental railroad to connect those southern countries with the United States. But here is a vast region in the very heart of our own country which sustains a much larger commercial relation to the rest, and which is bound to us by the most intimate relations of transportation facilities—six transcontinental railroads, with numerous branches extending into every part of a region peopled by fellow-countrymen, who are alive to every common impulse of our splendid civilization.

Besides, the present development of the resources of that area is small in comparison with its evident possibilities. The mighty empires of Nineveh and Babylonia were reared under just such conditions as prevail in this vast Rocky Mountain region—an arid region in which agriculture is carried on by means of artificial irrigation. The same conditions characterize India to-day, with its population of 250,000,000.

It is not my purpose at the present time to enter upon the discussion of the silver question, but I do want to say a word in favor of a great and promising branch of our internal commerce, and in favor of the people of the Rocky Mountain States and Territories and of the Pacific slope, who, during the last thirty years, by their own strong arms, brave hearts, and indomitable enterprise have rescued a vast territory from hostile Indian tribes, overcome what appeared to be insuperable natural obstacles, and subdued to the arts of civilization an area which constitutes about two-fifths of the entire territory of the United States, exclusive of Alaska.

Three times I have in person investigated the resources of this vast region, and I feel an intense interest in its prosperity.

JOSEPH NIMMO, JR.

WASHINGTON, *September 13.*

SOME SIGNIFICANT ILLUSTRATIONS OF THE TRUTH AND JUSTICE OF MR. NIMMO'S VIEWS CONCERNING THE VAST INDUSTRIES OF THE MINING REGION.

Mr. POWER. It must not be supposed, Mr. President, that the representatives of the mining States are here solely in the interest of mining industries. On the contrary, we claim to represent in part all of the great industries of our country, the leading one being, beyond question, that of agriculture. Our region, as suggested by Mr. Nimmo, is a vast and exceedingly productive pastoral territory, producing an enormous annual exportable product of horses, cattle, sheep, and wool, and the commerce in these articles is immense. Every branch, avenue and channel of the other industries are so intimately connected with the production and use of silver that, were silver demonetized and deprived of its purchasing power as a money metal, widespread ruin would surely follow.

Mr. Nimmo states but a self-evident proposition, a simple demonstration which every intelligent person ought to compre-

hend without effort, and which Senators should deeply consider before lending themselves to the assassination of silver, that "silver mining sustains to the commerce and productive industries of the arid region relations far transcending its arithmetical proportion of the value of the total surplus products of that region. Silver is the primary source of the commerce, agriculture, and industrial prosperity of that vast area. Strike it down," says Mr. Nimmo, "and you paralyze the business interests of that whole area."

I go further than Mr. Nimmo, because I appreciate from practical experience that, should the business interests of the Western division unhappily become thus paralyzed, the business interests of the rest of the country would receive the greater shock, especially in and about Chicago, Boston, New York, Philadelphia, Baltimore and other metropoli, from which recovery would probably be problematic, certainly very remote. Detach the silver keystone which holds together the arch of prosperity of the territory west of the Missouri and west of the Mississippi at the intersection of the two rivers, and the measure of ruin which must follow is beyond comprehension.

Permit me, Mr. President, to cite a few significant illustrations. The total railroad mileage of the United States, as reproduced from Poor's Manual in the Statistical Abstract for 1892, issued by the Bureau of Statistics, is given at 170,601.18 miles. The total capital and funded debt, stock and bonds, of these railways in 1891, is estimated by the same authority to aggregate \$9,930,572,487. The gross earnings of operated roads are estimated at \$1,125,534,815, the freight earnings being \$754,185,910. The total estimated investment of capital in the railroads of the Gulf and Mississippi States, the Southwestern States, the Northwestern States, and Pacific States, is \$3,614,919,276, or something more than one-third of the total capital investment in the entire railroad property of the United States. The value of equipment is estimated at about \$3,000,000,000. The railroad mileage in these States is estimated at 87,674.26 miles, all of which is utilized for the transportation of freight and passengers to and from the West, and intimately connected with the agricultural, pastoral, mining, and kindred industries of these sections.

What has been the result to these railroad carriers as a consequence of the low price of agricultural products, the depreciation in the value of silver and the associated metals, and the fall in the price of cotton? The business of the great continental roads and their auxiliaries and feeders has fallen off in such large measure as not only to cripple them financially, but caused the discharge of thousands of employes with consequent suffering and distress to them and their families. The industry represented by the transportation lines is suffering in all directions, and when the wheels of railway cars cease to turn, the commercial world, embracing the outer as well as the inter commerce of the country becomes embargoed. This condition was illustrated with immense financial loss and distress to individuals, communities, and the common country on the occasion of the railroad strike some few years since. If the losses incident to a mere labor strike inflicted such an amount of injury, what would

be the effect should the great West, with her vast agricultural, mineral, and other resources, be driven to the verge of bankruptcy by the domination of the Eastern money power?

THE BULLS AND BEARS OF WALL STREET—WHAT CURRENCY IS TO TAKE THE PLACE OF SILVER?

I have wondered, Mr. President, whether the money magnates of the East ever reflected seriously upon the fearful consequences likely to retroact upon themselves should they be successful in demonetizing silver. Do they suppose that the great cities of Boston, New York, Philadelphia, and Baltimore can live upon and consume themselves for all time, free from and independently of the great producing areas of the West? What market will they have for their manufactures when the demand for them ceases or is largely restricted in the West because of the lack of or diminution in the purchasing power? With no paying market for Eastern manufactures, the factories must shut down and the operatives, male and female, be left to suffer privation. Ships would rot at their wharves, and all commerce lie prone in the great cities were they cut off from the business revenue which flows to them from the West. The West is the great feeder of the East, but the East, which has ridden roughshod over the West for so many years and reveled in the cruel abuse of its money power, seems blind to the fact that it is surely "killing the goose that lays the golden egg."

What is to be the result in the East from the depreciation in railway securities caused by crippling the railroad carriers of the West? The "bulls" and "bears" of Wall street may gamble and hold high carnival in the Stock Exchange, but the actual possessors of the stocks and bonds, the capitalists of the East, and their domestic and foreign clients, will come to understand in due time that the umbilical cord binding the commerce of the East with that of the West can not be severed without the greater injury resulting to the East. The money centers are treading on dangerous ground when they seek to establish the single gold standard and thrust silver aside. True, such action may practically bankrupt a territory comprising three-fifths of the area of the United States, and paralyze the agricultural industry in which 50 per cent of our adult male population is employed. But can this ruin be accomplished without involving the whole country? What divinity hedges the gold-standard localities that they may escape the whirlwind and the earthquake?

What is to take the place of silver when deprived of its money function? What currency is to supply its place in the circulating medium? Can our opponents suggest something? I pause for an intelligent reply. Surely it is not contemplated to again create a currency famine. It is admitted on all sides that even with a gold standard a gold circulation is absolutely impossible. Why? Because the total world's production of gold for the past hundred years amounts to only \$5,633,908,000. Of this amount \$3,711,845,000 only are in circulation, leaving gold to the value of \$1,922,063,000 used in the arts or destroyed, being about 34 per cent of the gross total production of gold subtracted from the circulating medium.

In mining for silver it is estimated that about 33 per cent of gold is produced. In Montana it is 40 per cent. Now, if the industry of mining for silver be checked or destroyed, it checks or destroys relatively the production of gold to the percentage named. The supply of gold, of course, is limited, and its use in the arts will continue, possibly to greater extent than before. Hence with this drain upon gold, something must take its place. What shall it be? Our opponents say it shall not be silver. Shall it be paper, coined from Government or State bonds? Shall there come another irruption of "wild cat" money and counterfeit bank-note detectors, to be carried in the pockets of the farmer and artisan, and a return to the antebellum times when no one knew what the value of a bank note might be from one day to the other? And yet it is proposed to demonetize or take from the circulation over one-half of its medium of currency.

THE PEOPLE OF MONTANA AND WHAT THEY HAVE ACCOMPLISHED—THE RESOURCES OF MONTANA AND WHAT HAS BEEN CONTRIBUTED TO THE INCREMENT OF NATIONAL WEALTH.

Owing to circumstances not necessary to explain on this occasion it so happens, Mr. President, that I temporarily represent on the floor of the Senate, singly and alone, the interests of the people of the flourishing State of Montana, and therefore I speak particularly for the welfare of my fellow-citizens of that State, although none the less mindful of the welfare of the common country.

The people of Montana are brave, conscientious, intelligent, enterprising, and patriotic, and in all that goes to make up the sum total of exemplary American citizenship they are the peers of any in the land. If any person imagines that the people I have the honor to represent do not fully align with the advanced intelligence of the age, or are in anywise inferior in the essentials of education, culture, and integrity to the people inhabiting the older settlements of the East, a brief sojourn in our mountains and valleys will soon operate to undeceive him. Although some of our New England friends would have it otherwise, I venture to assert that the intelligence and education of the American Republic are not restricted by any means to the eastern money centers. The people of Montana, in common with their fellow-citizens inhabiting the great Western and Southwestern empire, comprehend with as much acuteness as those abiding East of the Alleghenies the importance and proprieties underlying our national legislation, and the effect, for good or ill, of such legislation upon the country.

Mr. President, the people of Montana, almost without exception, whether engaged in mining, agriculture, or other pursuits, are utterly hostile to any legislation which may operate to discredit silver or exile it from its long possessed vantage as a money metal accredited with full purchasing and debt-paying function. They have arrived at this conclusion neither hastily nor inconsiderately, but base their views upon reason and justice. They feel, as do the people of the vast area lying west of the Mississippi and Missouri, that no greater national crime can be committed than the assassination of silver. I am here sharing

in and voicing their sentiments on this great issue, and I would be recalcitrant did I omit the performance of any duty within my feeble capacity which might operate to defeat the passage of the pending bill.

When Montana was provided with a Territorial government in 1864, her boundaries carved out of the then Territory of Idaho, it was practically an unpenetrated wilderness, inhabited by hostile tribes of Indians and inaccessible anywhere by railroad. Thither emigrated the hardy sons of America, pioneers and pathfinders, following the "Star of Empire" which takes its way westward, all seeking to better their condition, establish homes, and thus advance the general prosperity of the nation. The early settlers of this region took their lives in their hands when they entered this then unknown land, for the savages were bloody-minded and relentless, and at that period the military garrisons were few and remote and afforded little or no protection from Indian incursion.

The area of Montana is 146,080 square miles, equivalent to an acreage of 93,491,200 acres, being a Territory 8,370 square miles, larger than the entire areas of the six New England States, and the States of New York, New Jersey, Delaware and Maryland combined. It is therefore easily perceived that the settlement of such a vast territory must have been attended with great difficulties. The first census taken in 1870 showed a population of 20,595. In 1880, the population had increased nearly 48 per cent. In 1890, after the admission of Montana as a State in the Union, notwithstanding the immense physical obstacles and embarrassing conditions incident to the settlement of a semi-arid and mountainous region, the population had increased 70 per cent.

Let us consider what American enterprise has accomplished in developing the increment of national wealth from out the barren wilds of Montana. The city of Butte, situated on the west side of the Rockies, is the largest mining center in the world, and has risen from out the barren slopes of a mountain range into a flourishing city of about 35,000 people, all this accomplished within the past decade. The city of Great Falls, situated at the head of the great falls of the Missouri River, has sprung within the last five years from a "prairie-dog town" into a metropolis containing 10,000 people. Here the great waters of the Missouri River have been bridled, and furnish power more than sufficient to manufacture for the whole northwestern country, and where the rich ores, wrested from the recesses of the Rockies, are reduced to silver, gold, and copper, the latter prepared for market in all conditions. It is hardly necessary to indicate the older and flourishing cities, such as Helena, Missoula, Bozeman, Livingston, and others, the progress of which has passed into the history which chronicles the creditable advancement of our civilization.

So far as agricultural wealth is concerned, Montana is the fifth State in order of rank in the industry of sheep raising and wool producing. The assessed valuation for 1893 of sheep in Montana this year is, in round numbers, \$6,000,000. The assessed valuation of horses this year in Montana is \$4,500,000. The assessed

valuation of her cattle aggregates \$14,300,000. The total assessed valuation of all live stock aggregates \$24,860,000, which probably is about 30 per cent less than its actual value. Montana exports in live stock and wool alone to the value of about \$20,000,000 annually.

According to reports of the Director of the Mint, the mines of Montana produced last year gold to the value of \$2,891,386, and silver to the coining value of \$22,432,323, a total of \$25,323,709. The amount of copper produced last year in Montana aggregates 164,300,000 pounds, estimated to be worth \$19,105,500.

The lead produced aggregated 25,715,197 pounds, valued at \$990,000. The Director of the Mint, in his last annual report, estimates the value of the total output of minerals mined in Montana during the calendar year of 1892 at \$45,565,626. Thus it will be seen that the value of the current stock and mining industries of Montana alone aggregate the immense sum of \$70,425,626, outside of all other industries, agricultural, manufacturing, and otherwise.

It may be proper to remark, when silver is alluded to in connection with the mining interests of the West, the word "silver" comprehends all the other associated metals, since in our production of silver, gold, copper, and lead are component parts of silver mining.

STATISTICS OF THE PRODUCTION OF MINERALS FROM THE MINING STATES AND TERRITORIES.

I will include in my remarks certain official tables certified by the Acting Director of the Mint, showing the approximate distribution, by producing States and Territories, of the production of gold and silver in the United States for the calendar year 1892; also the production of copper in the United States for the years 1890, 1891, and 1892. They are as follows:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., September 22, 1893

SIR: Herewith are inclosed statements of the production of gold and silver by States for the year 1892, and world's production of gold and silver for the last century. Also the production of copper in the United States for the years 1890, 1891, and 1892, as estimated by R. P. Rothwell (The Mineral Industry, its Statistics, Technology, and Trade for 1892, pages 107-165), editor Engineering and Mining Journal.

Respectfully yours,

R. E. PRESTON,
Acting Director of the Mint.

Hon. T. C. POWER, *United States Senate.*

Approximate distribution by producing States and Territories of the product of gold and silver in the United States for the calendar year 1892, as estimated by the Director of the Mint.

State or Territory.	Gold.		Silver.		Total value.
	Fine ounces.	Value.	Fine ounces.	Coining value.	
Alaska.....	48,375	\$1,000,000	8,000	\$10,343	\$1,010,343
Arizona.....	51,761	1,070,000	1,062,220	1,373,375	2,443,375
California.....	580,500	12,000,000	300,000	465,455	12,465,455
Colorado.....	256,387	5,300,000	24,000,000	31,030,303	36,330,303
Georgia.....	4,583	94,734	400	517	95,251
Idaho.....	83,271	1,721,264	3,164,269	4,091,176	5,812,540
Michigan.....	3,886	70,000	00,000	77,576	147,576
Montana.....	139,871	2,891,385	17,350,000	22,432,323	25,323,709
Nevada.....	76,021	1,571,500	2,244,000	2,901,333	4,472,833
New Mexico.....	45,956	950,000	1,075,000	1,389,899	2,339,899
North Carolina.....	3,800	78,560	9,009	11,636	90,196
Oregon.....	67,725	1,400,000	50,000	64,646	1,464,646
South Carolina.....	5,968	123,365	400	517	123,882
South Dakota.....	178,987	3,700,000	60,000	77,576	3,777,576
Texas.....			310,000	400,808	400,808
Utah.....	31,936	660,175	8,100,000	10,472,727	11,132,902
Washington.....	18,071	373,561	150,000	193,939	567,500
Alabama.....					
Maryland.....					
Tennessee.....	500	10,336	1,000	1,293	11,629
Virginia.....					
Vermont.....					
Wyoming.....					
Total.....	1,597,098	33,014,981	58,004,289	74,915,442	108,010,423

BUREAU OF THE MINT, *September 22, 1893.*

The production of copper in the United States for the years 1890, 1891, and 1892.

[As estimated by R. P. Rothwell, editor Engineering and Mining Journal, New York.]

States.	1890.	1891.	1892.
	<i>Pounds.</i>	<i>Pounds.</i>	<i>Pounds.</i>
Arizona.....	34,900,000	39,700,000	38,000,000
California.....	1,600,000	3,750,000	3,200,000
Colorado.....	6,000,000	7,000,000	7,250,000
Michigan.....	100,695,000	114,400,000	107,428,160
Montana.....	110,996,000	113,200,000	164,300,000
New Mexico.....	870,000	1,600,000	550,000
Utah.....	600,000	1,700,000	2,000,000
Eastern and Southern States.....	4,200,000	1,309,000	1,300,000
All others.....		5,450,000	1,201,840
Total domestic production.....	250,861,000	286,100,000	325,180,000
From foreign ores.....	6,017,000	11,500,000	10,200,000
Total production.....	266,878,000	297,600,000	335,380,000

BUREAU OF THE MINT, *September 22, 1893.*

R. E. PRESTON,
Acting Director.

INCIDENTAL DEBATE ON THE COST OF PRODUCING SILVER—INTERESTING FACTS SHOWING THIS COST—STATEMENTS FROM THE GRANITE MOUNTAIN AND BIMETALLIC MINES, OF PHILLIPSBURG, THE LEXINGTON, OF BUTTE CITY, AND MONTANA LIMITED, OF MARYSVILLE, MONT.

Mr. PEFFER. If it will not interfere with the line of argument of the Senator from Montana, I should like to make an inquiry of him.

The VICE-PRESIDENT. Does the Senator from Montana yield to the Senator from Kansas?

Mr. POWER. With pleasure.

Mr. PEFFER. I should like to inquire of the Senator, in view of the fact that he has been giving us some very important information, whether he is able to inform the Senate what is the approximate cost of mining silver per ton, or per hundred pounds, or per hundred ounces, as the case may be? There is a good deal of interest manifested in the country generally as to what silver costs the people who produce it. I think it is a very important matter, and should be pleased to hear what the Senator has to say about it.

Mr. POWER. Mr. President, some time since I wrote to Mr. L. M. Rumsey, president of the Granite Mountain Mining Company, to inform me officially, as the president of the company, how much silver that company produced and what it cost per ounce to produce it. The vice-president, Mr. Paul Fusz, in the absence of Mr. Rumsey, informed me that they produced altogether up to the 1st of July, 1893, 22,024,178 ounces of silver, and from the Bimetallic Mine 6,618,170.94 ounces. I will read from his letter. He says:

The cost of production is, as near as we can compute it, a little over 80 cents per ounce. No charge is included for interest or cost of plant.

That letter is dated July 12, 1893. Then I have a letter dated St. Louis, September 28, 1893, from Mr. Rumsey, the president of the company, in which he says:

I have just returned to St. Louis, and am now for the first time able to answer your inquiry as to the cost per ounce of fine silver taken from the Granite Mountain Mine of Montana. The company's books show that during the year, July 31, 1892, to July 31, 1893, this company produced 1,349,270 ounces of fine silver at a net cost to the company of 93.42¢ per fine ounce.

I will ask the Secretary to read the letter of the general manager of the Lexington Mine at Butte City, Montana, which is owned in Paris, France. The letter is brief and shows the amount of money and the proportion of that amount in labor expended in silver mining, and also the cost of producing silver per ounce.

The VICE-PRESIDENT. The Secretary will read as requested.

The Secretary read as follows:

SOCIÉTÉ ANONYME DES MINES DE LEXINGTON,
Butte City, Mont., July 25, 1893.

DEAR SIR: The statistics regarding the Lexington Company's operations were as follows:

The initial capital investment of the Lexington Company in purchase of property, working plant, and preliminaries of organization was about \$1,850,000. To pay 6 per cent interest only and sinking fund on the investment for ten years' life of the enterprise, the annual net earnings would have to be about \$296,000.

The expenditures of the Lexington Company in ten years of mining and milling, exclusive of the original investment, have been about \$6,140,000, not counting hundreds of minor items which are inseparable from the business. Forty-six per cent of this expenditure was paid for labor directly, mostly in Butte. The other 54 per cent has been paid for supplies, etc., at least 27 per cent of which value also went to labor indirectly. Directly and indirectly, therefore, this enterprise has contributed about 73 per cent of its entire expenditures to labor, or about \$4,500,000 in ten years.

We have produced in that time 6,700,000 ounces of silver, and the average cost for all has been 92 cents per ounce. Even last year (1892) the average cost per ounce was 90 cents.

But for the fortunate occurrence of gold in the ore in considerable quantity, the business would evidently have been unprofitable. As it is, a low interest only was realized on the investment.

The Lexington enterprise fairly presents a normal example of silver mining. It belongs neither to the phenomenal bonanzas nor to the discouraging failures. The belief is common that it has been extremely profitable, which illustrates the superficiality with which such things are judged.

Yours, truly,

CHAS. C. RUGER,
General Manager.

Senator T. C. POWER, *Helena, Mont.*

Mr. POWER. The Lexington mine is being operated now, as the general manager of the company states, on account of gold being associated with silver. The Granite Mountain and its associate, the Bimetallic mine, are two of the greatest producing mines that have been discovered in the Northwest. These mines are not in operation now; they had to close down. These two mining industries, the Granite Mountain and Lexington, represent about the average large mines in Montana. I could mention a number of other mines if it did not take too much time.

Mr. FRYE. In these reports is not the entire cost of the production of both silver and gold charged to the production of silver?

Mr. POWER. No, sir.

Mr. FRYE. When it is said that silver costs 92 cents an ounce, have they not included in that all the expenditures which they have made when, in making those expenditures, they have produced a certain amount of gold?

Mr. POWER. They credit the proceeds of the gold the same as they do the proceeds of the silver in the net receipts. It is subtracted from the expenditure in the profits. I know that is the situation in the Lexington mine, because the statements are published in Paris, and that is the reason I have been given permission to use this information. These statements come out semiannually. The manager of the company says if it were not for the gold they could not work that mine to-day, and the gold produced and sold is credited the same as the silver. That is more forcibly shown by the Granite Mountain and Bimetallic Company, which are the largest silver mines in the country. They have no gold, and consequently they can not run, and have closed down.

I have a statement here from another mine within 15 miles of Helena, called the "Montana Limited," owned in London, which presents definitely the figures covering the amount they have expended in the last ten years for labor and supplies, amounting to \$3,519,000. These statements are officially published semiannually by their board in London. Their production was, dur-

ing the last ten years, 302,000 ounces of gold which, figured at \$18, would be \$5,440,000. Their silver supply was a little less than 3,000,000 ounces. Senators can see that the gold, figuring the value, was nearly double. The manager of the company did not tell me what the silver cost an ounce. He could not very well say what it cost, and he does not state it. He merely states they are now just barely making expenses on account of silver being low. The gold product is about 55 per cent more than the silver, and the gold carries them through, so that they can go on and work their mine.

When silver was down to 60 cents an ounce Mr. R. T. Bayliss, the manager, told me if the price did not advance, his company would have to close their mine.

Mr. MCPHERSON. May I ask the Senator a single question, as he is an expert on this subject? I was not in when he was referring to it. I ask what he estimates to be the cost per ounce for the production of silver in Montana?

Mr. POWER. I have given here the cost in two of the largest mines in the State, one the Lexington and the other the Granite Mountain mine; the latter is owned in St. Louis. Senators here know of, and have heard of it, as it has been quoted in this Chamber. It has been circulated that silver did not cost more than 20 cents an ounce. Mr. Rumsey gives officially the cost last year at 93.422.

Mr. MCPHERSON. If I am not interfering with the Senator's statement, at the present ratio of 16 to 1 but little profit would be left to the silver-miner in the production of silver, and if we were to proceed to free coinage, under the terms of the Democratic platform, which is to make silver and gold intrinsically and exchangeably equal and bring them into agreement, it would require to-day a ratio of 28 to 1. Then, I understand by the Senator's statement, the mines would necessarily be closed.

Mr. POWER. With fair legislation for silver the mines will not close; but pass the pending bill, demonetize silver, and the mines will absolutely close. From the effects of fair legislation they will not close.

Mr. MCPHERSON. What does the Senator call "fair legislation"?

Mr. POWER. To recognize silver.

Mr. MCPHERSON. How?

Mr. POWER. Recognize it by free coinage.

Mr. MCPHERSON. Upon what ratio?

Mr. POWER. Upon the ratio of 16 to 1 absolutely. We do not want any change of ratio. A change of ratio is a scheme that would necessitate the recoinage of all our silver circulation, consequently not feasible.

THE GOLD STANDARD COHORTS, FOREIGN AND DOMESTIC, THE VERY BARBARIANS OF THE NINETEENTH CENTURY.

The area of the territory west of the Missouri and the one hundredth parallel aggregates 1,826,040 square miles, as against 1,197,630 square miles comprising the area of the States east of that line, a difference in favor of the western portion of 628,410 square miles. This computation does not include the area of Alaska.

It would thus seem, in view of the proposed legislation, that an area west of the one hundredth meridian, exceeding by 628,410 square miles that of the territory east of that parallel, or an excess of over 50 per cent, is sought to be crushed and laid prone in all of its material industries by the domination of the money centers of New England and the Middle States, with English allies reënforcing them.

I have not referred to the more productive industries of other States and Territories comprised within the area west of the one hundredth meridian, which have been brought to the attention of the Senate far more ably than is possible for me to do. But, Mr. President, we stand together as a solid phalanx against the conspiracy to demonetize silver, upon which metal depend nearly all the commerce and prosperity of that vast region. Protesting against the crusade of the East against the West, we rally on a common center to protect our homes and firesides and the heritage of our children against the depredation of the cohorts of the gold standard, foreign and domestic—the very barbarians of the nineteenth century.

THE "DEVELOPMENT INWARD"—DARKER AMERICA MADE LIGHT BY THE EX-SOLDIERS, FEDERAL AND CONFEDERATE—WHAT ABRAHAM LINCOLN WROTE ABOUT THE MINERS.

Mr. President, when the war for the preservation of the Union had been fought to conclusion, the surviving soldiers of both Federal and Confederate armies returned to their homes to commence life over again in the pursuits of peace. The veterans soon discovered that meantime their places had been filled by the rising generation, and that, during the four or five years of their absence, the youth were grown to manhood, and all had undergone a change. These soldiers were participants in great events, and had shared defeat and victory on many a hard-fought field.

The dull, plodding cares and monotony of the old home life became unbearable to them. Under such circumstances they were unable to assimilate themselves to the conditions in which they had previously lived and moved. At this juncture, Mr. President, the great "development inward" was inaugurated, and thousands upon thousands of these soldiers of both armies bade adieu to home and kindred and turned their faces westward toward the comparatively unknown and unexplored land. Under the auspices and energy of these courageous men, the highest type of American manhood, the great transcontinental railroads were constructed, and, as time progressed, the immense resources of "Darker America" were revealed.

The magnificent success attending this great development of civilization in the far West is attested by and forms the brightest page in our national history. In this connection, I beg to direct attention to the following interesting letter from Abraham Lincoln, which reveals the intense interest taken by the great "Liberator" in this "development inward." I should like to have the Secretary read the letter.

The VICE-PRESIDENT. The Secretary will read as indicated.

The Secretary read as follows:

On the day of his assassination, April 14, 1865, President Abraham Lincoln wrote the following letter to Hon. Schuyler Colfax, who was then visiting the coast. It was one of, if not the last, letters that he ever penned, and it illustrates his views of the possibilities of the West. It will now be read with interest by all in this section, especially his message to the miners. "I shall promote their interests to the best of my ability because their prosperity is the prosperity of the nation."

The letter is as follows:

"MR. COLFAX: I want you to take a message from me to the miners whom you visit. I have very large ideas of the mineral wealth of our nation. I believe it practically inexhaustible. It abounds all over the Western country, from the Rocky Mountains to the Pacific, and its development has scarcely commenced. During the war, when we were adding a couple of millions of dollars every day to our national debt, I did not care about encouraging the increase in the volume of our precious metals. We had the country to save first.

"But now that the rebellion is overthrown, and we know pretty nearly the amount of the national debt, the more gold and silver we mine will pay the payment so much easier. Now, I am going to encourage that in every possible way. We shall have hundreds of thousands of disbanded soldiers, and many have feared that their return home in such numbers might paralyze industry by furnishing, suddenly, a greater supply of labor than there will be a demand for. I am going to try to attract them to the hidden wealth of our mountain ranges, where there is room enough for all.

"Immigration, which even the war has not stopped, will land upon our shores hundreds of thousands more per year from overcrowded Europe. I intend to point them to the gold and silver waiting for them in the West. Tell the miners for me that I shall promote their interests to the utmost of my ability, because their prosperity is the prosperity of the nation; and we shall prove, in a very few years, that we are indeed the treasury of the world."

THE FRIENDS OF SILVER "PUT THEMSELVES UPON THE COUNTRY"—PERORATION.

Mr. POWER. Mr. President, these are not the times, nor is it the occasion to mince words. If the silver column in the Senate can maintain its equilibrium, and is not prostrated by the assaults of the money changers of Wall street and their coparceuers, but shall, by every legitimate and proper means, prevent the passage of the pending measure and save silver from being strangled, we shall have performed only our simple duty to the country—no more, no less.

Senators on the other side have alluded to their responsibilities, and challenge the criticism of their constituents touching their action, even those who have hitherto occupied opposite positions on this issue. It is not for me to question the sincerity of any of my colleagues of the Senatorial body, but, Mr. President, the extent of the responsibilities of the friends of silver on this floor are not to be measured by the questionable standard of the money centers. We represent the voice of the people, and the voice of the people, according to the maxim, is the voice of God.

The tenet of the silver faith to which we cling, is free silver coinage at the ratio of 16 to 1, or at least such legislation on this basis as will restore silver to its former place with gold as a money of the Constitution. This is the shibboleth of the friends of silver, and on this we "put ourselves upon the country."

Mr. President, I view with grave apprehension the evil results to follow the demonetization of silver, not to the Western section alone, but to the whole country, and therefore share the deep solicitude in this behalf so eloquently and feelingly expressed by

the senior Senator from Colorado [Mr. TELLER]. Our mining industries have been prostrated by this senseless, cruel warfare upon silver, and all the kindred occupations, commercial and agricultural, must suffer in relative proportion. When the pick and spade of the miner cease to perform their function; when the husbandman has no market for the foods which his toil has produced; when the merchant sits idly in his deserted store; when no freighted steamers plow our inland waters and the long line of empty railway cars are shunted off on side tracks; when our mills and factories are silent as if in death; when our houses are tenantless and falling to ruin and real estate finds no sale; when capital is diverted to other investment, and when all that has been won and accomplished, through long years of energy and thrift, by our enterprising and loyal communities shall have become intangible and as Dead Sea fruit, little wonder is it, Mr. President that, in the hope of averting these threatened calamities, the friends of silver rise in indignant protest against the terrible sacrifice.

It is not within the letter nor spirit of American institutions that one narrow section of our broad domain may, for selfish interest, dominate and ruin all the rest. I maintain that the commercial and financial interests of the whole country are so interwoven and dependent on each other, they form a mosaic from which, if one essential piece be taken or lost, the whole fabric falls to pieces.

