

THE PRESENT CONDITION OF THE COUNTRY.

Let it be known, fixed, and established that the unit of value in this country is in accord with the commerce of the world and the judgment of civilized mankind.

If this country can be run on either the protection or free-trade plan, it can not endure a halting and vacillating course between the two. Both capital and labor should seek redress through law and legislation.

SPEECH

OF

HON. HENRY F. THOMAS,
OF MICHIGAN,

IN THE

HOUSE OF REPRESENTATIVES,

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1893.

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HON. HENRY F. THOMAS.

The House 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. THOMAS said:

Mr. SPEAKER: Having listened to the discussion of the question now before the House with great interest, I desire to add a few thoughts relating to the subject.

I am inclined to the belief that most of us realize the lack of knowledge as to the causes and need information as to the cure for the present condition of the business interest of our great country.

We all know the value of a correct diagnosis. It is everything in the practice of medicine, and knowledge that enables us to understand the cause or causes of our present financial difficulties is essential to the application of the proper remedies.

Let us consider, then, some of the possible causes.

If money was the cause, silver might be the cure. If the protective tariff was the cause, revision might prove the remedy; if the disputes between capital and labor, arbitration might effect a cure. But, Mr. Speaker, the cause is to be found in neither of these things. We have no scarcity of money with more than a billion and a half dollars in circulation. The cause is not in the tariff, for taxes were never less burdensome, and our people were never better fed and clothed than at the present time. It is not the lack of capital, nor the scarcity of labor, because capital was never more able to engage in new enterprises and labor never more willing to be employed. No, the cause of our troubles lies back of all these. It is a wide-eyed, shapeless monster that has cast a withering blight over our country—a monster conceived in the swamps of party

contention and born in the cave of suspicion, nameless but for the one word, distrust.

This monster, Mr. Speaker, has dragged its slimy length into every mart of exchange, into every plant of industry, into every home of comfort. It has crossed the threshold of American homes and whispered of possible inflation and cheap money, and a million depositors run a thousand banks to cover. It entered our great manufacturing centers and suggested uncertain imports and doubtful prices, and our furnace fires went out from Denver to Lowell, and a hundred thousand operatives stand idle in the streets. It went to the office of the capitalist and spoke of investment risks, of labor unions, and of strikes. And from San Francisco to New York, from London to Berlin, the strong box is closed and labor walks the streets demanding work or bread.

Mr. Speaker, universal distrust, then, is the true cause of our present condition. What, then, shall this Congress do to restore confidence? If the causes of distrust are threefold, the remedy must be commensurate with the cause. Let us look for a remedy, then, along the lines of money, tariff and (coining a new word) capital-labor. Since, according to history and international comparison and actual statistics, our money is sufficient in quantity—since it is all on a parity with gold, the metal of ultimate redemption in the currency of the civilized world, it follows that the distrust which comes from this source is not in what exists but what is threatened.

Mr. Speaker, the menace to our money is the attempt to make silver equal to gold as a measure of value. Since gold became the standard of value, not by legislative enactment, but by the universal law of supply and demand, there is great apprehension that an attempt to change the standard will result, first, in unsettled values, demoralizing trade, and finally in total failure, since the value of a thing, after all, is the estimate which man puts upon it while acting in his free and individual capacity, all other values being really fictitious. An attempt of Government to usurp this right naturally causes alarm and distrust. Hence, every one having a dollar in a savings bank, rather than have it supplemented by an inferior dollar, takes it into his own possession for safe keeping, and thus banks are closed by runs. The remedy is, therefore, to discontinue all governmental attempts to force or fix values. To this end the Sher-

man law, so called, which requires the United States Treasury to buy 4,500,000 ounces of silver every month, should be repealed for the two reasons, first, because it compels the Government to purchase a commodity which it does not need, and, secondly, because it is an attempt to give to silver an artificial value by an arbitrary market which sooner or later must be closed. Such a law being utterly without reason, deserves no concession for its repeal.

We shall still continue to use silver and nickel and copper and paper according to the necessities of business, but let it be known, fixed, and established that the unit of value in this country is in accord with the commerce of the world and the judgment of civilized mankind, and confidence will be restored and financial distrust driven from the minds of men.

Of no less importance is the tariff question. As a source of distrust it is disintegrating the very foundations of business, and while we can not agree as to what should be done, we do agree that what is done should be done definitely and quickly. If this country can be run on either the protection or free-trade plan it can not endure a halting and vacillating course between the two.

Successful business depends on stable condition. The administration has declared for tariff reform. This means a change of conditions. In such unsettled times customers will only order limited supplies, and thus business is paralyzed. Let Congress declare quickly what the imposts are to be, and business will adjust itself accordingly, and confidence will be the logical result of the knowledge. But, Mr. Speaker, the abnormal relations between capital and labor is a more pitiable source of distrust than is generally suspected, and like a subtle poison is contaminating the very life current of the nation. The angry symptoms of this disease are manifested on the one hand by trusts and combinations to fix prices and on the other by organizations and strikes to fix wages. The appalling results are that capital is driven from the field, enterprises are abandoned, and labor is unemployed—discontent everywhere and want near at hand.

Mr. Speaker, we have three distinct classes of people in this country. First, capitalists, who have a surplus for investments. Second, wage-workers, who must be employed. Third, a vast middle class, who partake of the nature of both the first and second, having some

capital but no surplus, and ability to earn wages, but not necessarily obliged to. This middle class hold the balance of power and can secure justice to both the other classes. Capital is silent and selfish. Labor is loud and revolting. This attitude toward one another is the cause of widespread discontent and alarm. Let Congress declare, if only by joint resolution, that force is unlawful and that all redress must be sought through law and legislation and that both trusts and strikes are force within the meaning of the statute and therefore prohibited.

There is no doubt that in a free republic labor, by being law-abiding, would be more secure, and would have its rights speedily vindicated by law.

When the unlawful and destructive strife between capital and labor is thus ended, capital will flow again in its natural channels and labor be freely employed, prosperity universal, and perfect confidence restored between all classes.

These, Mr. Speaker, are my views as to the cause and cure of the present unfortunate condition of the business interests of our country, and these views I would be pleased to defend at length if time permitted.

Let me say to the members of this, the most important Congress for many years, that you are not here to legislate for silver or gold, not for merely two millions of people, but for sixty-seven millions; and the action of this Congress may be such that it will be an everlasting honor for you to have had a seat in this Hall, because by your action you are able to restore universal confidence; and with confidence will come real, not fictitious values for both labor and property.

Do this, and the sunshine of prosperity will enter the home of every citizen of our Republic. [Applause.]