

By Mr. HART: The petition of New York merchants, for a reduction in the rates of duty on importations of linen goods—to the Committee of Ways and Means.

By Mr. HEWITT, of New York: The petition of Conrad Wagner and others, for a change in the revenue law relating to cigars—to the same committee.

By Mr. HUBBELL: The petition of Jay C. Morse and 1,000 other citizens of Ishpeming, Lake Superior, against any change of the tariff—to the same committee.

Also, the petition of S. A. Brace and 200 other citizens of Michigan, against the reduction of the tariff on wool and other raw materials produced in this country—to the same committee.

By Mr. JAMES: The petitions of George W. Ripley and others; of David L. Blow and Amy Otis, for the amendment of the pension laws—to the Committee on Invalid Pensions.

Also, the petition of C. P. Clark and others, of Saint Lawrence County, New York, that if the tax on tobacco is reduced they be allowed a drawback on their stock on hand—to the Committee of Ways and Means.

By Mr. KEIGHTLEY: The petition of A. Jones and 50 others, that the duty on wool be retained as at present—to the same committee.

By Mr. KIDDER: The petition of R. T. Walters and 57 others, that a pension be granted to Ira G. W. Chase—to the Committee on Invalid Pensions.

By Mr. LUTTRELL: The petition of Mrs. A. A. Haskell, for the removal of her political disabilities—to the Committee on the Judiciary.

By Mr. MACKEY: The petition of citizens of Washington Iron Works, of Howard, and of Centre County, Pennsylvania, against any reduction of the present tariff duties and against the reimposition of the war tax on tea and coffee—to the Committee of Ways and Means.

Also, the petition of officers and soldiers of the late war, of Centre County, Pennsylvania, for the equalization of bounties—to the Committee on Military Affairs.

By Mr. MAISH: The petition of Captain Clark H. Wells, United States Navy, for the difference of pay between a captain on shore-duty and that of a commodore, for the period he was in command of the League Island naval station, Philadelphia, Pennsylvania—to the Committee on Naval Affairs.

Also, the petition of Elias H. Sebolt, for a pension—to the Committee on Invalid Pensions.

By Mr. MANNING: The petition of Fortunatus Jarratt, for compensation for property taken by the United States Army—to the Committee on War Claims.

By Mr. MITCHELL: The petition of Thomas Farrell, Edward Goodman, sr., and 125 other citizens of Clermont, Pennsylvania, for the passage of an act to aid heads of families in the settlement of public lands under the homestead law by loan of \$750 to each of them, to be expended under rules and regulations to be prescribed by the Secretary of the Interior, the same to be and continue a lien upon such lands and all improvements thereon until the same shall be repaid to the Government—to the Committee on Public Lands.

Mr. POUND: The petition of all the members of the Milwaukee Clearing-House Association, against the passage of the Bland silver bill—to the Committee on Banking and Currency.

By Mr. ROBINSON, of Massachusetts: The petition of Harrison Garfield and others, that no change in the tariff laws be made prejudicial to the interests of labor—to the Committee of Ways and Means.

By Mr. STONE, of Michigan: The petitions of M. B. Averill and 60 other citizens of Ravenna, and of James Falconer and 68 other citizens of Casnovia, Michigan; the former against any reduction of the tariff on wool, and the latter against any reduction of duties—to the same committee.

By Mr. THOMPSON: Memorial of the governor of Pennsylvania, for additional legislation to carry out the true intent and meaning of the act of Congress of July 27, 1861, entitled "An act to indemnify the States for expenses incurred by them in defense of the United States," and for such appropriation of money as may be necessary to pay the State of Pennsylvania the balance due—to the Committee on War Claims.

By Mr. THORNBURGH: The petition of T. E. H. McCroskey, for an amendment of the laws regulating the leasing of certain public lands known as school lands—to the Committee on Public Lands.

By Mr. TOWNSEND, of Ohio: The petition of William Baxter and 74 other workmen of Cleveland, Ohio, against any reduction of duties on foreign goods—to the Committee of Ways and Means.

By Mr. WALSH: The petition of John G. Sines and 48 other citizens of Garrett County, Maryland, that a pension be granted to John G. Sines—to the Committee on Invalid Pensions.

By Mr. WELCH: The petition of citizens of Nebraska, against leasing public lands west of one hundredth meridian—to the Committee on Public Lands.

By Mr. WILLIAMS, of Michigan: Papers relating to the claim of William D. Ingersoll—to the Committee on Military Affairs.

By Mr. WILLIS, of Kentucky: The petition of H. T. Jefferson and other citizens of Louisville, Kentucky, that the tariff on jute, jute-butts, and bagging remain unchanged—to the Committee of Ways and Means.

HOUSE OF REPRESENTATIVES.

SATURDAY, February 9, 1878.

The House met at twelve o'clock m., and was called to order by Mr. HEWITT, of Alabama, as Speaker *pro tempore*. Prayer by the Chaplain, Rev. W. P. HARRISON.

ORDER OF BUSINESS.

The SPEAKER *pro tempore*. By order of the House the session of today is for debate only, no business whatever to be transacted. The gentleman from Vermont [Mr. JOYCE] is entitled to the floor.

PRESIDENTIAL TERM—CIVIL SERVICE REFORM.

Mr. JOYCE. Mr. Speaker, on the 10th of December last I introduced in the House a joint resolution relating to the term of office of the President and Vice-President of the United States, which reads as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, (two-thirds of each House concurring therein,) That the following be proposed to the Legislatures of the several States as an amendment to the Constitution of the United States, which, when ratified by three-fourths of said Legislatures, shall be valid as a part of the said Constitution:

ARTICLE XVI.

From and after the 4th day of March, in the year 1885, the term of office of President and Vice-President of the United States shall be six years; and any person having been elected to and held the office of President, or who for two years has held such office, shall be ineligible to a re-election.

No subject, sir, of more vital and commanding importance could possibly come before Congress than a proposition to in any way alter or amend the organic law of the Republic. But when it becomes our duty, as legislators, to consider this question, no vainglorious ambition to become reformers nor apprehension of being branded as visionary bigots should deter us from a bold, manly, and independent discharge of it.

While on the one hand we should not allow ourselves to run frantic with every fanciful vagary or be blown about by every wind of doctrine set in motion by scheming partisans and dissembling demagogues, on the other we should not shut our eyes to the glaring results of time and experience and hug an obsolete delusion to our ruin for fear of being accused of innovations of removing the ancient landmarks of the fathers, or because it is entrenched behind sacred and long-established customs and primitive and venerated prejudices.

In the organism of government, as in that of the individual, there are troubles which no human power can relieve and evils which are beyond all sublunary remedies. In such cases it is better that we should

Dear those ills we have,
Than fly to others that we know not of.

At the same time that we admire and revere the wisdom and sagacity of the noble men who framed the Constitution of 1787 and readily admit that, with thirteen sparsely settled colonies, extending but a few leagues from the sea-coast, and only three millions of people, it adequately met every demand and answered every requirement, yet experience has shown and demonstrated the fact that as we have advanced in wealth, in commerce, in manufactures, and in population, and extended our boundaries from the provinces to the Gulf, and from Cape Cod to the golden shores of the Pacific, as we have progressed in the arts, the sciences, in civilization, and in the principles of human rights and genuine republicanism, additions and amendments to our Constitution have been constantly demanded, to meet the growing wants and needs of the people and the continually occurring exigencies of the Government.

In the infancy of our Government we experienced few or none of the difficulties and very dimly foresaw the dangers which now alarm and terrify many of the intelligent and patriotic people of this country who now believe that, with the growth and additions of nearly a hundred years, has sprung up and ripened a gigantic and overwhelming evil, in the shape of executive power and patronage, which may, in the hands of bad men, become dangerous, and not only jeopardize all honest administration of the National Government, but destroy the very life and existence of the Republic. They believe that the spirit of centralization is bold, audacious, and aggressive, and, unless restrained and controlled in some manner, will eventually undermine and overthrow this majestic fabric of civil liberty erected by our fathers, and establish an iron despotism upon its ruins.

Whether there is, in fact, at the present time, any well-grounded reasons for this fear of centralization and what are the causes of this anxiety in the public mind upon the subject, we need not now stop to inquire, while the fact remains patent that such a fear does exist and that a large majority of the people of this country are agreed that there should be some limit fixed to the presidential term, by constitutional amendment, and have only left it for us to determine, as best we may, what that limit shall be.

While I am convinced that the fear of present danger, at least, is greatly exaggerated and magnified by corrupt men, mainly for political effect, yet I cannot be blind to the stubborn facts of history, the prodigious increase of executive power and patronage during the past fifty years and the almost universal demand of the people, which comes up from every section of our country, that we should furnish them with the weapons with which they may defend themselves and

their posterity from the calamitous consequences of this growing and ever-increasing evil.

Mr. Speaker, it is because, while I fully realize the danger, I have not been frightened by newspaper sensations, the wild ravings of besotted demagogues, nor the disgusting howl of dissembling imposters, about total depravity and instant annihilation, that I am in favor of the discussion and settlement of this vexed subject at the present time; at a time when men can approach it, if they ever can, dispassionately, in a spirit of fairness, stripped of all partisan and political bias, and give it that cool, deliberate statesmanlike consideration which the people desire and the magnitude and importance of the subject demand.

During the last year of President Grant's administration the bold and persistent assertions of a portion of the public press in regard to the imminent dangers of a "third term" thoroughly aroused a large body of the people of this country.

And while they did not then and probably do not now believe that the Republic is in danger of immediate destruction or that the Executive will at some fatal moment throw off an assumed disguise and proclaim himself dictator, still I am satisfied that the great mass of the people are in sober earnest about this matter, and, whether there is, in fact, danger or not in the immediate future, they honestly believe there may be, and they desire to be protected by a constitutional amendment against an evil which they fear may some day overwhelm and crush them.

Sir, the demand for a proposition of this kind, to be submitted to the people for ratification or rejection, comes to us in a manner and under circumstances which render it not only impolitic but impossible for us to ignore it.

In the discussion and determination of this question we should endeavor to forget all political creeds and divest ourselves of all party feelings and prejudices, to raise ourselves up to the level and dignity of American statesmen, give the subject the careful candid consideration it deserves, and then propose to the people what shall seem to us the best remedy for the evil they fear, remembering at the same time that the consequences of a blunder or a mistake may be both dangerous and destructive.

Thus far in our history no amendments to the Constitution have been adopted, except those which were required to cure some radical and admitted defect in the original instrument or to adapt it to the changes caused by the rapid increase of our population, the unprecedented growth and development of our country, the abolition of slavery, and the emancipation and enfranchisement of four millions of bondmen. What is now asked in the amendment before us is not only a remedy for an existing wrong, but also a guard and protection against an evil which may come upon us in the future. It is therefore, in my judgment, a long stride in advance of any line of conduct heretofore pursued with reference to this subject and can only be justified upon the ground that it will correct the wrong, meet the exigency, if it ever arises, and, if it does not, will work no injury to the people or the Government.

Not having myself partaken to the full extent of the general alarm, not fully believing that we have been or are now in any danger of immediate destruction from "third terms," and reserving to myself the right of review in case any proposition of amendment shall be submitted to the people, I proceed to the discussion of this subject upon the supposition that two-thirds of the members of this House have already determined in their own minds to come together and agree, if possible, upon some proposition touching this subject. If a proposed amendment is to be submitted it is of the utmost importance that it should receive the most serious consideration, in order that it may as far as possible be so worded and framed as to remedy every conceivable form of the evil, commend itself to the judgments and consciences of the people, and secure their suffrages for its adoption. It should be one which we honestly believe to be right and which will, without possible injury, subserve the best interests of the people and effect the object it is intended to reach. While many entertain very serious doubts as to whether any amendment limiting the number or extent of the presidential terms is necessary or whether it would, if adopted, tend to correct any of the evils feared or complained of, I am frank to say that for myself I am absolutely and unalterably opposed to "third terms," and also that the proposition I have submitted and the one prohibiting a "third term" are the only ones which I could at any time be induced to consider, or which could in any event command my approval or assent or, as I believe, the approval and assent of the requisite number in this House or of the people of this country.

As far as I am concerned personally, if an amendment upon this subject is to be submitted, while I have a very decided choice between the two I should be willing, if it could be done, that both these propositions should be submitted at the same time, so that the people might choose between them and settle this vexing and annoying question forever.

But that cannot be done, and we must decide which of the two, if either, we will stamp with our indorsement and approval and send forth for the consideration of the people.

In considering questions which affect the dearest interests of the people, and the integrity and welfare of the Republic, not only a decent respect for the opinions and judgments of others, but the voice of wisdom and safety would dictate that we should go back to the

origin of our Government, and to those great principles which underlie the whole superstructure of our free institutions; that we should compare the reasons and arguments of our fathers upon this subject with the history of the Government under the Constitution they adopted, and in the full blaze of all these lights let sound convictions and an honest judgment direct us in the path of our duty.

If we go back to the origin of this question, we shall find that in the convention which framed the Constitution one of the most difficult and important subjects considered was that relating to the number, election, and term of office of the Executive or Chief Magistrate of the Republic.

Upon no other question did men so widely differ and none provoked so much contention and discussion. Some thought the executive power should be vested in three men, some preferred two, while others contended that a vigorous government could not be maintained if more than one man was clothed with executive authority. As to his term of service, it was claimed on the one hand that to render him perfectly independent of all perverse and corrupting influences he ought to hold his office during good behavior. On the other, it was as stoutly contended that in order to guard against tyranny and despotism the election of a Chief Magistrate should occur every two or three years. A large number of men in the convention favored a term of six or seven years and ineligibility forever thereafter; and this plan was several times settled upon in the convention, but on reconsideration was each time defeated by those who advocated a shorter term with no restrictions as to the number. A portion of the convention earnestly contended for an election by the people, others as strongly advocated an election by the Senate or in some other equally undemocratic manner. The final result was that after long months spent in consultation and discussion, without the least prospect of harmonizing upon any plan, the whole matter, as a last resort, was referred to a subcommittee, and by them, in a grand compromise, settled in the form in which it was adopted; and the report of that subcommittee embraced, not only the election and term of office of the Executive, but the whole original text of the Constitution.

The reasons given and the arguments urged in favor of the one and the other theory regarding the election and term of office of the President, in that convention, have come down to us in its published reports, a careful study of which will clearly demonstrate to any man, not only the wisdom and sagacity of our fathers, but also the utter fallacy of attempting to construct the temple of liberty with the rubbish of ancient democracies or to build up and run republican America upon theories and precedents drawn from monarchical England or the empires of the continent. But however that may be, it cannot fail to be profitable, as well as instructive, for us to briefly review the grounds upon which the wise men of that day entrenched themselves upon either side of that great constitutional conflict.

The plan of a short term and unrestricted right of re-election found a bold, able, and fearless champion in Mr. Morris, of Pennsylvania, who, in a speech of great power, in the convention, in opposition to the theory of ineligibility, inquired what effect such a policy would be likely to have upon the man who occupied that high position, to set up a constitutional barrier against his right to a re-election. He declared that, in his opinion, it would in the first place destroy the great incitement to merit, which was public esteem, by taking away the hope of being rewarded with a reappointment. He was afraid that it might give a dangerous turn to one of the strongest passions in the human breast. The love of fame is the great spring to noble and illustrious actions. Shut the civil road to glory and an ambitious man may feel compelled to seek it by the sword.

In the second place, said Mr. Morris, it will tempt him to make the most of the short time allotted him to accumulate wealth and provide for his friends.

Judge Story, in his Commentaries on the Constitution, comes in and sustains the position taken by Mr. Morris, and gives us the very essence and cream of all the arguments urged in the convention in favor of that plan. He says, It was urged by those who supported the plan of Mr. Morris that men would feel much less zeal in the discharge of a duty when they were conscious that the advantage of the station with which it is connected must be relinquished at a determinate period than when they were permitted to entertain a hope of obtaining, by their merit, a continuance of it; that a desire of reward is one of the strongest incentives of human conduct; and the best security for the fidelity of mankind is to make interest coincide with duty. Even the love of fame, the ruling passion of the noblest minds, will scarcely prompt a man to undertake extensive and hazardous enterprises, requiring time and courage to mature and perfect, if they may be taken from his management before their accomplishment or be liable to failure in the hands of his successor. The most under such circumstances which can be expected of the generality of mankind is the negative merit of not doing harm, instead of the positive merit of doing good.

It was also argued in the convention that such exclusion would be a temptation to sordid views, to speculation, to the corrupt gratification of favorites, and in some instances of usurpation.

That a selfish or avaricious executive might under such circumstances be disposed to make the most he could for himself and his friends and partisans during his brief continuance in office, and to introduce a system of official patronage and emoluments at war with the public interests but well adapted to his own. If he were vain

and ambitious as well as avaricious and selfish the transient possession of his honors would depress the former passions and give new impulses to the latter. He would dread the loss of gain more than the loss of fame, since the power must drop from his hands too soon to insure any substantial addition to his reputation.

On the other hand it was urged his very ambition as well as his avarice might tempt him to usurpation, since the chance of impeachment would scarcely be worthy of thought and the present power of serving friends might easily surround him with advocates for every stretch of authority which would flatter his vanity or administer to their necessities.

Another ill effect of the exclusion, it was claimed, would be to deprive the community of the advantage of the experience gained by an able Chief Magistrate in the exercise of his office; that experience is the parent of wisdom, and it would seem almost absurd to say that it ought systematically to be excluded from the executive office. It would be equivalent to banishing merit from the public counsels, because it had been tried.

What could be more strange than to declare at the moment when wisdom was required that the possessor of it should no longer be enabled to use it for the very purposes for which it was acquired?

Again, such exclusion might result in banishing men from the station, in certain emergencies, in which their services might be eminently useful and indeed almost indispensable for the safety of their country. There is no nation, it was argued, which has not at some period or other in its history felt an absolute necessity of the services of particular men in particular stations, and perhaps it is not too much to say, as vital to the preservation of its political existence. In a time of war or other pressing calamity the very confidence of a nation in the tried ability and integrity of a single man may of itself insure a triumph. Would it be wise, then, to substitute in such cases ignorance for experience, and to set public opinion and confidence afloat and change the well-planned and firmly-settled course of administration? Or, as Mr. Lincoln once so aptly expressed it, "is it safe to swap horses when crossing a stream?" In such case, said a learned man, one should suppose that it would be sufficient to possess the right to change a bad magistrate, without making the singular merit of a good one the very ground of excluding him from office. Such, Mr. Speaker, were the arguments used and reasons given for short terms with no limit to the number.

The opposite view, favoring a longer term and ineligibility, was urged in the convention with equal force and power by Mr. Mason, of Virginia, who said he had for his primary object, for the polar star of his political conduct, the preservation of the rights of the people; that he held it as an essential point, as the very palladium of civil liberty, that the great officers of state, and particularly the Executive, should at fixed periods return to that mass from which they were at first taken, in order that they may feel and respect those rights and interests which are again to be personally valuable to them. He therefore concluded in favor of a longer term and that a second election ought to be absolutely prohibited.

Other members of the convention argued upon the same side in support of the six or seven years theory and that the President ought not to be eligible after one term; that the return of public officers into the mass of the common people, where they would feel the tone which they had given to the administration of the laws, was the best security the public could have for their good behavior; that it would operate as a check upon the restlessness of ambition and at the same time promote the independence of the Executive. It would prevent him from a cringing subserviency to procure a re-election or to a resort to corrupt intrigues for the maintenance of his power. And on the other hand that the re-eligibility of the Executive might furnish an inducement to foreign governments to interfere in our elections, which would inflict upon us all the evils which had betrayed and desolated dismembered Poland.

At the close of that memorable discussion, in that convention, as I have already remarked, the views of those learned and patriotic men were so divergent that no union of sentiment could possibly be arrived at, and the whole matter was closed by a compromise, in which no one man's views obtained, and no one man's theories were adopted, but the cream and essence of the whole were crystallized into that noble and sublime charter under which we have lived and prospered for well-nigh a century.

From 1787 down to the present time the Republic has cut her bright pathway through the world's history under the four years' rule, with no limitation upon the number of terms except the custom established by Washington, which has always been sacredly regarded and observed by all who have succeeded him, and until now no serious attempt has been made to change it.

During that time we have had seven double terms, commencing with Washington and ending with President Grant; and I think no one will deny that the administrations of the illustrious men who have been favored with a re-election illumine the brightest pages of our history, and that, in nearly every instance, their second terms have been as renowned and distinguished as their first.

Mr. Speaker, we can now hardly conceive of the terrible consequences which would have resulted to this country if a constitutional barrier had stood in the way of Mr. Madison's second election, or what would have been the condition of the Republic to-day if we had been compelled to exchange President Lincoln for a new man in

1864; and if such contingencies are liable to again occur, the only thing which can save us, in my opinion, from untold disasters, will be the double term with no third re-election, or a six or seven years' term which shall allow time for the completion of any work which may have been begun or the settling of any policy which may have been inaugurated.

One thing is certain, that in the light of the history of this country it is demonstrated beyond denial that, notwithstanding the prophecies of wise men and the evil forebodings of our enemies, our present system, barring some ugly abuses which have grown up with reference to the subject of patronage, has been a grand and glorious success during the nearly one hundred years of our auspicious and wonderful history. The adoption, therefore, of the proposition I have introduced would work a vital change in our Constitution and in the legal machinery of the Government.

Such a proposition involves the gravest possible questions, and instead of being done hastily invokes the most careful and deliberate considerations.

I am aware, sir, that Congress can only *propose* to the people of the several States an amendment to the Constitution, and that the power ultimately to ratify or reject lies with them; but this does not in the least, in my opinion, diminish our responsibility or relieve us from a great and solemn duty in originating and framing the proposition to be submitted. The sanction and approval of two-thirds of the members of this House ought to, and no doubt would, have a wide and powerful influence upon the people in the decision of the question presented to them, and no proposition should be launched with that approval and sanction which has not been duly and candidly considered, and which does not embody the united products of our best judgments and the honest convictions of our hearts.

Now, Mr. Speaker, after some time and attention devoted to this subject I was led to introduce this proposition for the consideration of the committee and the House, so that upon a report from that committee I might test the sense of the House upon this question. If a change is to be made I greatly prefer this or the "third-term" prohibition, to which I have before alluded, to any other which has ever been submitted.

I have referred to the arguments and reasons *pro* and *con* upon this important subject as I have gathered them from the discussions in Congress and elsewhere.

I do not stand here to argue that there is any immediate danger, or that any change is imperatively demanded by the exigencies of the case at the present time, but at the same time I cannot shut my eyes to the fact that it is under our present system of unlimited elections that executive power and patronage have assumed such vast and gigantic proportions, leading inevitably to corruption and dishonesty in all the Departments of the Government, and that in consequence of this the people have become alarmed and are not only demanding a higher standard of moral character and a more strict accountability on the part of their public servants, but many of them are deeply anxious that a constitutional barrier shall be set up to guard them and their children from any further inundation of evil from the same source.

But, Mr. Speaker, this, in my opinion, is not all; and the question comes up whether, if we submit one of the propositions I have named to the people, and it is by them ratified and adopted, it will fully reach the evil of which the people complain and save them from the effects of the growth of a system they have reason to so much fear and dread?

A public sentiment has grown up in this country within a few years, and not without cause, resulting in a belief that the vast increase of patronage in the hands of the Executive will eventually, unless checked, undermine the liberties of the people, destroy our republican Government, and rear upon its ruins a despotism more hateful and crushing than any before known in the world's history.

During the administration of Andrew Jackson one of the great political parties in this country promulgated the doctrine that "to the victors belong the spoils," and since that time it has been practically adopted and carried into effect by both parties. In every presidential campaign for the last sixteen years both political parties have solemnly pledged themselves in national conventions to some sort of a system of civil-service reform. And notwithstanding this dangerous and corrupting system has been all the time in successful operation both of those parties have always held up their hands in holy horror and repudiated it in the strongest terms. These laudable and innocent pledges have sparkled each year with new brilliancy and infused a spirit of hope and confidence, as well as respectability, into each successive campaign. Orators and newspapers have set forth in glowing terms the beauties and millennial glories of the promised reform, while the people have waited with anxiety and hope for the first faint glimpse of the political messiah. But they have waited and watched in vain. All those solemn pledges and fair promises, which were intended merely to deceive the people and catch votes, stood at the beginning of Mr. Hayes's administration unfulfilled and unredeemed.

While these pledges have been repeated and the praises of civil-service reform have been re-echoed from one campaign to another, the evil has continued to grow and expand until the people became alarmed at its hideous proportions and gigantic power, and demanded that at least an honest attempt should be made to correct the evil and re-establish a faithful and economical administration of the Government.

It is true that during the last few years some faint and feeble efforts have been made in the direction of reform, but the men engaged in it have either had no heart in the work or have been driven from their position by a set of political gamblers whose official lives depended upon the power of patronage and the spoils of office. Under the guardian care of these men the cause of civil-service reform is fast becoming a by-word and a reproach; but any man who would at any time have undertaken, or who would now undertake, the work in good faith and with an honest purpose would have had and would receive now the aid and sympathy of the best men in this country, for the people have always been in favor of it, and whenever they have uttered their voice upon the subject have demanded it; but corrupt men and demagogues, who seek their own ends at the expense of honor and justice, have always been able to defeat it.

Thus we have drifted along from bad to worse, amid hope and despair, until the present time. I am aware that it is a great work and one which no timid or cowardly man would ever dare to undertake.

It is a great evil which is to be rooted out, a great wrong which is to be righted. It is strongly entrenched behind age and prejudice, and wealth and corruption, and personal interest and political ambition.

It is bold, defiant, shameless, and arrogant. The man who wages war with it must have courage, will, judgment, discretion, and a lofty sense of honor, justice, and public virtue.

He must be a man who has neither love nor fear for cliques, rings, or corrupt political combinations, and who dares to do right regardless of the consequences to men or parties.

He must be a man who has no questionable ambitious designs of his own, who does not seek his own or his party's good at the expense of his country's honor and prosperity, but who is devoted, soul and body, to the service of the Republic and the welfare of the people.

One great trouble in regard to this matter has been that while men generally agree in the object to be accomplished and its absolute necessity they are very wide apart as to the manner in which and as to the means by which it is to be consummated and the extent to which it should be carried.

Some gentlemen talk as though civil-service reform would have spent its force and accomplished its mission when a few thousand employes in the Government Departments in Washington are arraigned and disposed of.

In my judgment this is a small part of the work, and of very little consequence as compared with that to be performed in other branches of the public service. This is not the way in which votes are bought and political services in campaigns paid for. The men and women who receive appointments in these Departments are not generally in a situation to render political services to any one, and their friends, if they have any, are usually in the same condition. There is not the least danger that any one will become corrupted by anything they may receive for procuring the appointment of persons to any of the Government bureaus in Washington.

In my judgment the only civil service required in these Departments is to keep a set of men in charge of them who have common sense and business capacity sufficient to manage a factory, a machine-shop, or a marble-mill. No man is fit to hold the position who cannot on his own account and in his own Department inaugurate and establish a system of civil service rules which shall give efficiency and stability to the service. Let every Department of the Government be managed as a capable and prudent man would run his own business—employ none but the best help; pay them a fair price for their labor; keep them no longer than they are profitable; and when vacancies occur fill them from those below who shall show themselves able and worthy to fill the position; hire no more than can be profitably employed, and let the new ones enter at the bottom and be promoted as they may deserve; employ no man or woman and discharge none at the solicitation of any man high or low, but let every one stand upon his or her own merits.

If such rules were established and strictly observed, and everybody understood it and believed it, there would be no more trouble in managing the help in these Departments than there is in running a factory or a railroad.

But the trouble comes in adopting a set of rules which are wise and good in theory but which in practice are neglected or entirely ignored. Men soon lose confidence in a system which recognizes one rule for one man and another rule for another. Civil-service rules are brought into contempt when the head of a Department makes proclamation to the world that no man or woman is to be discharged from office except for cause, and then in violation of that declaration discharges scores of poor men and women only to make room for some particular friend of his own or of some Senator or Representative whose displeasure he fears or who it is deemed necessary to conciliate. Or when he gives out to the country that he is reducing the help in his Department, when in fact the poor who are without political influence are discharged to make room for those who come with a political pressure which he has not the moral courage to resist.

Such conduct on the part of those who are invested with this power of appointment and removal brings reproach upon the cause and disgusts those who are honestly laboring for its success.

There would seem to be no more difficulty in managing the custom-houses and navy-yards in the country than in controlling the

Departments at Washington. Put honest and efficient men at the head of them whose only obligation is to do their duty, and who shall be free from executive and congressional influence, and the business of the Government will be economically and profitably conducted, none but worthy and industrious people will be employed, and no more of them than the necessities and demands of the service require. And in addition to this a rule never to be departed from in any of the Departments of the Government should be that other things being equal the preference should always be given to the soldier of the Union and to his widow and orphans. And, sir, more than this, I feel confident that as long as the republican party is in power in this country good, honest, capable, and efficient men who belong to that party can be found in every State in the Union to fill every position under the Government. The danger to the Republic arising from the increasing and corrupting power of Federal patronage does not, in my judgment, lie in the Departments I have named, but in the power of appointment and removal of the multitude of men engaged in the collection of the revenue, the disbursement of the public money, in the Department of Justice and in the post-offices. Heretofore it has been the practice to appoint and remove these officials on the recommendation or suggestion of the member of Congress from the district where the office was located.

In this respect, Mr. Speaker, I am glad to say that there are encouraging signs of reform. All that is required, as it seems to me, is the adoption of some permanent system which shall remove these officials as far as possible from all executive and congressional influence and control and lodge the power of their appointment and removal where it can feel the weight and influence of the people's will. I believe that all officers of the Government should as far as practicable be elected at stated times by the people where they exercise the functions of their office and who know their character and efficiency, and where this cannot be done they should owe their appointment to their own merit and capacity as is the case in my State without exception so far as I am informed.

If men in official positions perform their duties faithfully there can be no desire or purpose on the part of any officer of the Government to restrict their rights as citizens or to deprive them of the privileges which appertain to every member of society. And having established a character for honesty and integrity in the public service, if they exert an influence moral or political in the community in which they live which is disproportionate to their numbers, there need be no fears, because springing from such a source it will be both legitimate and saving.

There can be no doubt that the practice of allowing members of Congress and others to dictate appointments and removals of public officers has led to great abuses, and fair-minded men have always condemned it.

So well settled was this conviction in the public mind that the republican party was compelled at their national convention at Cincinnati in 1876 to place upon record their condemnation of it and a pledge to reform it in the following plain and forcible language, which I commend to President Hayes and every member of the party:

5. Under the Constitution the President and heads of Departments are to make nominations for office, the Senate is to advise and consent to appointments, and the House of Representatives is to accuse and prosecute faithless officers. The best interest of the public service demands that these distinctions be respected; that Senators and Representatives who may be judges and accusers should not dictate appointments to office. The invariable rule in appointments should have reference to the honesty, fidelity, and capacity of the appointees, giving to the party in power those places where harmony and vigor of administration require its policy to be represented, but permitting all others to be filled by persons selected with sole reference to the efficiency of the public service and the right of all citizens to share in the honor of rendering faithful service to the country.

This declaration by the chosen representatives of the republican party from every State and congressional district in the Union was immediately followed by Mr. Hayes's letter of acceptance, in which he said:

The fifth resolution adopted by the convention is of paramount interest. More than forty years ago a system of making appointments to office grew up based upon the maxim "to the victors belong the spoils." The old rule, the true rule, that honesty, capacity, and fidelity constitute the only real qualification for office, and that there is no other claim, gave place to the idea that party services were to be chiefly considered. All parties in practice have adopted this system. It has been essentially modified since its first introduction. It has not, however, been improved. At first the President, either directly or through the heads of Department, made all the appointments; but gradually the appointing power, in many cases, passed into the control of members of Congress. The offices in these cases have become not merely rewards for party services, but rewards for services to party leaders. This system destroys the independence of the separate departments of the Government. "It tends directly to extravagance and official incapacity." It is a temptation to dishonesty; it hinders and impairs that careful supervision and strict accountability by which alone faithful and efficient public service can be secured; it obstructs the prompt removal and sure punishment of the unworthy; in every way it degrades the civil service and the character of the Government. It is felt, I am confident, by a large majority of the members of Congress to be an intolerable burden and an unwarrantable hinderance to the proper discharge of their legitimate duties. It ought to be abolished. The reform should be thorough, radical, and complete. We should return to the principles and practice of the founders of the Government, supplying by legislation when needed that which was formerly the established custom. They neither expected nor desired from the public officers any partisan service. They meant that public officers should give their whole service to the Government and to the people. They meant that the officer should be secure in his tenure as long as his personal character remained untarnished and the performance of his duties satisfactory. If elected, I shall conduct the administration of the Government upon these principles, and all constitutional powers vested in the Executive will be employed to establish this reform.

And to all this was added the solemn declaration and pledge when he said in his inaugural address:

I ask the attention of the public to the paramount necessity of reform in our civil service, a reform not merely as to certain abuses and practices of so-called official patronage, which have come to have the sanction of usage in the several Departments of our Government, but a change in the system of appointment itself; a reform that shall be thorough, radical, and complete; a return to the principles and practices of the founders of the Government. They neither expected nor desired from public officers any partisan service. They meant that public officers should owe their whole service to the Government and to the people. They meant that the officer should be secure in his tenure as long as his personal character remained untarnished and the performance of his duties satisfactory. They held that appointments to office were not to be made nor expected merely as rewards for partisan services, nor merely on the nomination of members of Congress, as being entitled in any respect to the control of such appointments.

The fact that both the great political parties of the country, in declaring their principles prior to the election, gave a prominent place to the subject of reform of our civil service, recognizing and strongly urging its necessity, in terms almost identical in their specific import with those I have here employed, must be accepted as a conclusive argument in behalf of these measures. It must be regarded as the expression of the united voice and will of the whole country upon this subject, and both political parties are virtually pledged to give it their unreserved support.

The President of the United States of necessity owes his election to office to the suffrage and zealous labors of a political party the members of which cherish with ardor and regard as of essential importance, the principles of their party organization. But he should strive to be always mindful of the fact that he serves his party best who serves the country best.

In furtherance of the reform we seek, and in other important respects a change of great importance, I recommend an amendment to the Constitution proscribing a term of six years for the presidential office and forbidding a re-election.

Mr. Speaker, whatever others may do or say there can be no room for doubt that the present Administration and the republican party are bound by all these pledges and obligations to make an honest and desperate effort to reform wherever it can be done the civil service of the Government and remove the evils under which we are now suffering. In order to do this it is not necessary, in my judgment, that the appointing power should ignore the opinions and recommendations of any respectable citizen or to refuse information as to the character of an applicant for office from members of Congress even, but the point is that men should not be appointed to office or removed simply because some man may desire it, no matter who that man may be.

The great complaint has been not only that public officers received their appointment through the influence of members of Congress, but also that these officers have been in the habit of reciprocating such favors by manipulating and controlling caucuses and conventions in the interest of those who secured their appointment.

This, of course, has necessarily given occasion for suspicions of political trading and corrupt bargaining, which no doubt in many cases have been well founded, has tended to destroy the influence of legislators, impaired the efficiency of the service, and brought discredit upon the Government.

The desire and purpose of President Hayes and his Cabinet seems to be to relieve members of Congress and others from all participation in the appointment and removal of public officers, unless specially called upon for their opinions, and to purify and strengthen the civil service through which the Government is administered by raising it above the dirty slough of party politics and placing it where it will be conducted on business principles and inspired and controlled by high and patriotic influences.

A fair and reasonable compliance with such a rule by every public official will deprive no man of his rights or of his proper political influence in the community, will in no manner weaken or impair the efficiency of a proper party organization, but on the other hand will inspire the service with new life and insure to the Government a class of honest and faithful public servants.

Not only this, but as a question of party policy it is wise that we follow this course, for—

We need to comprehend that to secure honest, economical, and efficient administration day by day and year by year is not only one of the highest achievements of statesmanship, since it involves a nation's destiny, but that it is one of the most successful acts of party management, since among an enlightened people it is most sure to gain for a party both honor and power.

But, Mr. Speaker, I have already spoken much longer than I intended to, and I will tax the patience of the House but a moment more.

This whole subject has been wisely referred to a committee composed of gentlemen of this House in whom we have the fullest confidence, and to them we look for the recommendation of such measures as shall reform and purify the public service and remedy the evils of which I have spoken.

The adoption of the amendment I propose might, and I believe would, tend strongly to check and mitigate the evils of our present system, but would never in my opinion completely eradicate them and effect a permanent cure. This can only be done by striking at the root of the whole matter, and not by lopping off the branches.

The true remedy, in my judgment, would be to provide by constitutional amendment and by law for the election by the people at stated periods of a large class of Federal officers and a thorough and permanent system of rules for the civil service.

The President now has the appointment, directly or indirectly, of seventy or eighty thousand officials scattered over the whole country, with most of whom he should have nothing in the world to do, except, perhaps, to issue their commissions when elected and hold them

to a strict account for their acts and a faithful discharge of the duties of their several offices.

The evidence of the evil effects of this naturally corrupting system need not be repeated; it is before our eyes and needs no comment or argument to enforce the lesson it teaches or spur us on to strenuous efforts for its immediate and utter extinction.

Such a plan as I have suggested would at once relieve the Executive from the terrible pressure of office-seekers, clear the several Departments of the Government of the hangers-on for place, give those in charge an opportunity to attend to their legitimate duties, fill the offices with competent and honest men, remove this prolific source of corruption, and prove a perfect millennium to members of both Houses of Congress.

Under the present system, in addition to the demoralizing influence exerted upon every branch and Department of the Government service, the President and every head of a bureau are literally bored to death, while it is absolutely impossible for members of Congress from some of the large States to answer the calls made upon them for positions and devote any considerable portion of their time to their legitimate and important duties. With a small number of States and only ten or fifteen millions of people it was modest and endurable; but with thirty-eight States, ten vast Territories, and forty-five millions of people, it has become brazen and audacious, and is absolutely intolerable.

But, Mr. Speaker, the reasons and arguments I have urged for a thorough and honest reform in the civil service of the Government, weighty and conclusive as they are, pale into insignificance when compared with those which demand it on the ground of the degrading and corrupting influences which the present system necessarily engenders and the dangers which seem to threaten us if it is allowed to continue.

Whether this vast patronage is wielded by the President, the heads of the Departments, or by members of Congress makes no difference with the result; and, without the slightest imputation upon any man or set of men, I am compelled to say that it is equally corrupting and dangerous to the welfare of the Republic and the liberties of the people, and that every honorable man and honest patriot ought to join heartily in any plan of genuine reform which offers a reasonable prospect of success.

Thoroughly convinced as I am of the magnitude of the evil and of the importance of a speedy cure, I will gladly join hands and heartily unite with any man in any and all reasonable and practical measures which shall cure or mitigate this terrible malady.

For these reasons, among a multitude of others, I am willing, if I thought best, to vote to submit either one of the propositions of amendment to which I have referred, not because I believe either will effect a radical and absolute cure, but because I believe it to be a step in the right direction, which I trust will be followed up by others, which I have only had time to hint at, placing a large share of this vast power of patronage in the hands of the people, where it belongs and where it would be safe, and which would eventually work a complete reformation and make it possible to have upright and faithful public servants and a more efficient and honest administration of the affairs of the Government.

REMONETIZATION OF THE SILVER DOLLAR.

Mr. CHITTENDEN. Mr. Speaker, it is said that all argument against the silver delusion is in vain. I speak as believing truth to be eternal. I oppose the Bland bill, because a clipped dollar is not a good dollar; because the proceedings and arguments most influential in promoting its success have been illusive and discreditable; because it is an extravagant gift to the producers of gold and silver bullion; because it is cruel mockery of the suffering people; because it remorselessly denies the aggressive and enlightened commerce of our country an international currency; because it is revolutionary and wholly impracticable as a standard currency.

The clipped dollar reverses the traditions and maxims of all honorable commerce, antagonizes the underlying principles of all our antecedent legislation, and defies laws stronger than any legislation.

If my points are truthfully made, we are on the edge of a fresh national calamity, which, unaverted, will involve our national integrity!

A mass meeting was held in the prond city of Chicago on the 13th day of December last, of national and international importance.

I will read some of the head-lines or indices of an elaborate report of that meeting, as emblazoned on the following day in the Chicago Tribune, which I believe claims to be the most influential republican newspaper west of New York:

The Silver Dollar.

Chicago on Behalf of the Nation Demands its Remonetization.
Five Thousand Business Men Insist upon it in Mass-Meeting Assembled.
Silver Abolished through Concealment, Deception, and Fraud.
The Gilded Shylocks Denounced for their Insatiable Greed and Rapacity.
President Hayes Warped and Misguided by Interested Constitutional Advisors.
Speeches by Judges Lawrence, Booth, and Miller, William Bross, and others.

Here, Mr. Speaker, we have an indictment broadly supported by the resolutions and speeches of the occasion which, taken together, are unequalled for bold and fierce denunciations of respectable men

by the proceedings of any previous mass-meeting in American history which has come under my observation.

I propose to deal with the several specifications *seriatim*, and, first,
 THE SILVER DOLLAR.

No one intelligently objects to that. The honest silver dollar of the Constitution can do no harm. It can never be convenient or current in active and large commercial transactions, until the leading nations of Europe concur with us in the establishment of bimetallism; but within certain limitations, controlled by natural laws, it is wholly unobjectionable and will always be worth as much as an honest gold dollar. What, then, is the disturbing question? Stripped of all disguise it is simply this: Shall the Government of the United States legalize and issue clipped coin? That is all there is left worth talking about of the silver dollar. In other times the venders of base coin have been hunted to their dens, and, when captured, hurried to prison and dressed in striped cloth. Now, honest men with whom we have commercial relations throughout the civilized world hold their breath and stand aghast, pending a proposition seriously entertained by the Congress of the United States that ninety cents' worth of silver (more or less) shall everywhere under our jurisdiction be legal tender for an honest gold dollar.

Mr. Speaker, I ask in all seriousness if any currency legislation can be more discreditable than that proposition? If Congress may do that, has it not equal authority for enacting that two cents' worth of steel or copper shall be equal to a gold dollar?

The Constitution of the United States invests Congress with power—
 To coin money, regulate the value thereof and of foreign coin, and fix the standard of weights and measures.

This language is not ambiguous. It clearly implies and requires an intrinsic standard of value. If you coin various metals as unlimited legal tender, you must "regulate" or fix "the value thereof" by one standard. A dollar, whether of silver or gold, must be as near as possible of equal intrinsic value, for precisely the same reason that a bushel measure, whether of wood or brass, must hold the same number of grains of wheat.

Is there one clear-headed producer of wheat in all the West who will deny my proposition? Is there a farmer in the State of Ohio or any other State who will say that three and one-half pecks are an honest bushel? Will you buy sugar, tea, coffee, or nails, ten ounces for a pound? How, then, shall the Congress of the United States say that ninety cents are an honest dollar? If I have not given the true interpretation of the language of the Constitution on the subject of coining money it is as loose as a school-boy jargon and only worthy of equal respect. Any other reading of it reflects upon the common sense and common honesty of its authors.

Fortunately, we are left in no doubt as to the true meaning attached to the words I have quoted by the framers of the Constitution. Several attempts have been made by Congress from time to time to "regulate" the gold and silver coinage, but this is the first time that it has been seriously proposed to debase either. "The (so-called) infamous act of demonetization of 1873" itself clinches our argument.

The silver dollar of 412½ grains was demonetized in 1873, not because it was worth less but because it was worth three and one-half cents more than the gold dollar. The gold dollar had long been the legal unit and measure of value, and in practice the only one. The silver dollar, with a higher bullion value, had ceased to circulate. It was plainly the duty of Congress to "regulate" again the value of its coin. It had either to diminish the value of the silver dollar or enhance the bullion value of the gold dollar, or to demonetize one or the other.

The total silver coinage for four years, from 1870 to 1873 inclusive, amounted to but \$9,698,788.30. The gold coinage for the same four years amounted to \$99,503,620. More than ten for one! Such were the facts bearing upon the question at the time.

It will be observed from these figures that to have demonetized gold would have been monstrous.

As the silver dollar had for a long time ceased to circulate and as there were no signs of the approaching depreciation in its bullion value, it is simply absurd to question the good faith of Congress in the act of demonetization. There is not a shadow of reason for it. On the contrary it is safe to say that if the same state of facts existed to-day this Congress would repeat the act. And yet the Chicago meeting of five thousand, Judge Lawrence presiding and speaking, declared, on the 13th of December last, "silver abolished through concealment, deception, and fraud."

On the same day of December the venerable Thurlow Weed, of New York, published a letter in the New York Tribune, (Horace Greeley's paper,) in which he (Weed) repeated five times in the space of half a column that the 412½-grain silver dollar was "surreptitiously," "secretly," "fraudulently," "stealthily" demonetized.

Later, and more impressive on account of its associations, a mass-meeting was held at Bloomington, Illinois, on or about the 2d of January, which passed resolutions which I ask the Clerk to read.

The Clerk read as follows:

Resolved, That to destroy one-half of the money resources of the country by the demonetization of silver is a reckless disregard of the general welfare. To do this when forced resumption is in immediate prospect is an unparalleled outrage, menacing disaster and ruin to the general business of the country, and to have carried this measure by stealth was a swindle upon the people, which calls for our severest condemnation.

Resolved, That the purpose of annihilating silver as money, and thereby en-

hancing the value of gold, and thus increasing the value of Government bonds by making them payable in gold only, when by the plain terms of the law they are redeemable in coin of gold or silver, is a flagrant attempt to enrich the bondholders beyond the terms of their contract at the expense of an already overburdened people.

Resolved, That we urge upon our Senators and Representatives in Congress the immediate remonetization of silver, and that coinage be free and unlimited as that of gold, and of the standard value of the dollar of our fathers.

Resolved, That we look with profound alarm upon the efforts of European capitalists who own most of the bonds of the Government and corporations in Europe and America, to so control their payment in gold, only thereby effecting a revolution to their own profit and the destruction of a large part of all other property.

Resolved, That we demand of Congress the immediate and unconditional repeal of the so-called resumption act.

Mr. CHITTENDEN. It is everywhere known, Mr. Speaker, that in the supreme court of intelligent public opinion hard words are always held to be the natural and necessary allies of error, and that such words rarely help a just cause. I invoke a judicial and stern application of the rule in this case. Whatever may be the immediate issue of this discussion, the importance of the subject enforces my appeal. We are rapidly making history of prodigious import.

It is no part of my work to characterize the mischievous utterances of the Chicago and Bloomington meetings, which have given such remarkable power and sweep to the public opinion of the West. My office is to set the truth against them, so that no public man in this country who has a good name to keep will venture carelessly to in-dorse or repeat, here or elsewhere, such calumnies.

It is an interesting chronological fact, as illustrating the existing confusion and contempt for truth in the public mind and the force of lies persisted in, that two days prior to the great meeting at Chicago and the coincident publication of the Weed letter, that Mr. HENRY L. DAWES, of Massachusetts, and for eighteen consecutive years ending on the 4th of March, 1874, a member and leader of this House, gave to the public from his place in the Senate of the United States an exhaustive statement of the proceedings in Congress which ended in demonetizing the 412½-grain dollar.

I ask the Clerk to read from the RECORD of December 12, 1877, the substance of his testimony.

The Clerk read as follows:

The bill that demonetized the silver dollar was drawn in the Treasury Department in 1870. It did not become a law till 1873. It was reported in this branch in the winter of 1870 from the Finance Committee, and in the very first report and in the very first print of the bill the old silver dollar was demonetized and reduced to a subsidiary coin containing only 384 grains. It was in pursuance of a report from the Comptroller of the Currency in which he recommended precisely that same thing in print. It went through various stages in that Congress, and in every stage it was reprinted, and in every reprint of it was contained the provision demonetizing the silver dollar. It did not become a law during that Congress. It was reported in the next Congress, containing that very same provision demonetizing or reducing to a subsidiary coin the old silver dollar of 412½ grains; and when it passed this branch and went to the other House it was reprinted again. In all it was reprinted twelve times, and I submit to the Senator from Kentucky that in every one of those twelve reprints of that bill the old dollar that had been theretofore coined was demonetized and extinguished. The Comptroller of the Currency in his second report upon the subject called attention to the fact and gave the reason. When the bill was reported in the other branch for consideration there it was first introduced by a distinguished member from Pennsylvania. Upon that occasion that member called the attention of the House to the fact that it demonetized the silver dollar. It went to the proper committee in the House and was in due time reported and reprinted, and in that reprint was contained the provision that extinguished this dollar.

Mr. CHITTENDEN. And now, to bury forever from the presence and utterance of fair minded men the calumnies of the Chicago and Bloomington meetings in respect to the demonetization of the famous silver dollar, I need only add that Mr. Thurlow Weed discovered and publicly confessed his error two or three days after the publication of his letter; and whoever wants additional evidence will find by consulting the proceedings of Congress from 1870 to 1873 that Mr. KELLEY, of Pennsylvania, and other distinguished men of the House confirm beyond dispute the clear statement of Mr. DAWES. There were other utterances at the Chicago and Bloomington meetings which require attention:

THE GILDED SHYLOCKS DENOUNCED FOR THEIR INSATIABLE GREED AND RAPACITY.

Who are the Shylocks so denounced? I beg the gentlemen who have the honor to represent the city of Chicago on this floor to listen while I identify them. I know whereof I speak. I have them here. I hold in my hand the roll of these rapacious rascals! They are, name after name, the active bankers and business men, at home and abroad, who through the Chamber of Commerce of New York gave Chicago outright a round million of dollars in the hour of her desolation; the very same men who have subsequently loaned Chicago scores and scores of other millions, which have been hopelessly squandered and lost in Quixotic ventures!

Mr. Speaker, I stop here to comment for a moment upon an occurrence which took place in this House yesterday. The New York Chamber of Commerce, on whose behalf a respectful request was made by the chairman of the Committee of Ways and Means, [Mr. WOOD,] was refused the privilege of having its petition or its memorial upon this subject of the currency printed in the RECORD. I desire to say of the New York Chamber of Commerce that it was approaching its centennial anniversary when the young gentleman from Illinois, [Mr. BOYD,] who refused to allow its memorial to go upon the RECORD, was born. Little does the gentleman seem to know of the history of that respectable society. The New York Chamber of Commerce is not a political institution. It was one of the most efficient helps of the country in the earliest annals of our

revolutionary period. From that day to this its leading men have been foremost in every patriotic, enterprising, and honest work for the advancement and development of the magnificent resources of this country. Its history is absolutely unimpeachable. I am sorry for the inexperience and for the unwisdom of any member of this Congress, from the State of Illinois or from any other State, who, in view of the history of that institution, will stand up here and object to having printed in the RECORD its petition, its memorial, in respectful terms presenting to Congress and the country the practical questions involved in this controversy.

The roll includes subscriptions from trust and life-insurance companies and other corporate custodians of poor men's money invested in Government bonds; but of the \$675,000 credited to New York, (including \$50,000 by Mr. A. T. Stewart,) the bulk was given by active business men intimately connected with the commerce of our country, who now clamor with uncommon earnestness and unanimity for the right to enjoy in common with all their countrymen a gold standard of currency ready at hand for use.

I do not deny that these contributors almost to a man believe that a gold standard and no other is practicable except by international agreement. Why is it so? Simply because their business education and experience admit of no alternative, if they have been successful and are thoroughly intelligent.

Beyond this admission, I cannot be put upon the defense of these "greedy," "insatiable," "rapacious" "Shylocks."

I find, Mr. Speaker, that of the \$1,031,000 given to Chicago in 1871 and 1872, through the New York Chamber of Commerce, \$406,000 were given from abroad. The sources from which these thousands came are of special significance now, and a careful study of them will refresh and invigorate the minds of statesmen who think and speak lightly of our commercial relations with other nations.

I ask permission to print the names of these foreign contributors as a part of my remarks, in the hope that some minds now shrouded in darkness will discover on glancing over them and the nations included, that unless the time has come for us to forbid telegraphic cables and steamships to touch our shores and enter our ports, the silver lunacy must be cured.

Foreign contributors.

Mansion House relief committee, through the lord mayor of London, and Drexel, Morgan & Co., New York:	
1871, October 25, £8,000	\$43,815 15
1871, October 28, 7,000	38,527 25
1871, October 28, 7,000	38,015 32
1871, October 28, 8,000	43,549 65
Interest	150 46
	\$164,057 83
Liverpool fund for the relief of sufferers by the Chicago fire, through Babcock Brothers & Co., New York, £15,000 sterling	80,507 12
Contributions at a meeting of American citizens in London, called by the American minister, through Drexel, Morgan & Co., New York:	
1871, October 16, £3,300	\$18,252 36
1871, October 28, 2,500	13,609 27
1871, October 28, 1,100	5,988 08
	37,849 71
Thomas Jessop, treasurer Chicago relief fund, Sheffield, England, through William Jessop & Sons, New York:	
1871, October 17	\$10,966 67
1871, December 30, £2,000	10,633 56
	21,600 23
Patrick Playfair, chairman of Glasgow, Scotland, relief fund, through E. D. Morgan & Co., New York:	
1871, November 15, for Michigan, Wisconsin, and Minnesota	\$5,414 25
1871, December 5, £1,000 for Michigan, Wisconsin, and Minnesota	5,365 53
1872, January 8, £1,000 for Michigan, Wisconsin, and Minnesota	5,316 81
	16,096 59
By the relief committee of Hamburg, through Kunhardt & Co., New York:	
1871, October 20	\$4,000 00
1871, November 14	5,982 41
1871, December 16	4,645 39
	14,627 80
By the senate, the North German Lloyds, and the Chamber of Commerce of Bremen, through J. & W. Seligman, New York:	
1871, October 30	\$10,617 60
1871, December 30. Balance of fund collected by the Chamber of Commerce of Bremen	2,100 07
1872, January 17. Balance of fund collected by the Chamber of Commerce of Bremen. \$75 gold at 6½	81 56
	12,799 23
From Birmingham, England, through Drexel, Morgan & Co., New York, £2,000	10,978 83
Collected by Hope & Co., Bunge & Co., and Wertheim & Gompertz, bankers, of Amsterdam, from forty-eight firms, through R. C. Burlage, consul-general of the Netherlands, New York, \$7,518.37 gold, at 11½ per cent.	8,354 78
Corporation of the city of London, through the lord mayor and Drexel, Morgan & Co., New York, 1,000 guineas	5,811 20
Morton, Rose & Co., London, through Morton, Bliss & Co., New York	5,500 00
J. S. Morgan & Co., London	5,000 00
Brown, Shipley & Co., Liverpool, through Brown Brothers & Co., New York	2,780 56
Contributions in Brussels, Belgium, through J. & W. Seligman, New York \$1,999.66, gold, at 10½	2,202 12
J. & P. Coats, of Paisley, Scotland, through John & Hugh Auchincloss, New York	2,000 00
Proceeds of concert at Madrid "under the patronage of the King and Queen and cabinet ministers and other prominent persons," through the American chargé d'affaires. £376½ at 10½ and 10¾	1,994 83

Zaldo & Co., Havara, through Moses Taylor & Co., New York	1,000 00
J. & P. Coats, of Paisley, Scotland, from subscribers in Johnston and Paisley, to the fund for the benefit of sufferers by the prairie fires, through John & Hugh Auchincloss, New York, £200 at 10 per cent., \$977.78, gold, at 10½	1,076 77
Kunkelmann & Bro., successors to H. Piper & Co., Rheims, France, through Renaud, François & Co.	1,000 00
Hilger Brothers, Lemp, Prussia, by telegram to Pastor, Walkinshaw & Co., New York	1,000 00
Contributions received by J. & W. Seligman, New York, from the Exchange, Amsterdam, \$565; same from Frankfort, \$300; total, \$865, gold, at 6½ per cent., \$941.77. March 28, 1872, on account of Frankfort, \$9.66, gold, at 10½ per cent., \$10.64	952 41
T. Wm of Dunfermline, Scotland, through P. Donald & Co.	813 60
Ellis & Co., and Tait & Co., of Amoy, China, through Charles W. Le Gendre, United States consul, and Elliott F. Shepard, New York, \$500, gold, at 11½	556 88
Bright & Co., of England, through S. B. Chittenden & Co., New York, Baroness de Courval, of Paris, through the New York Life Insurance and Trust Company, half for Chicago and half for the West	500 00
Bunge & Co., of Amsterdam, through Burlage & Co., \$410, gold, \$453.56; for Dutch sufferers in Chicago, 25 guilders, \$10.90	464 46
P. de P. Suarez, of Lima, Peru	435 10
Princess de Noer, of Lautenbach, Würtemberg, by United States Trust Company, New York	400 00
G. Butz, in Hagen, Prussia, through Herman Boker & Co., New York	322 29
Nobles & Hoare, of London, through Adolphus Keppelman, 5 guineas	28-0 08
John P. Thomasson, Bolton, Lincolnshire, England, through Brown Brothers & Co., New York, \$250, gold	270 37
James Fiom, Manchester, England, £50	272 60
David Sterer & Sons, London, Liverpool, and Glasgow, through F. Spies & Co., New York	270 55
Thomas Davison, Glasgow, Scotland, through Brown Brothers & Co., New York	250 00
Their royal highnesses Prince and Princess Henry, of the Netherlands, through his excellency the minister resident at Washington, by R. C. Burlage & Co., New York, 500 guilders	218 20
Strahlheim & Hertz, Paris, through Hallgarten & Co., New York	200 00
The Baroness de Waechter, of Lautenbach, Würtemberg, through the United States Trust Company, New York	200 00
Gustavus Bunge, Cologne, Germany, through Burlage & Co., New York	200 00
Nuremberg Ultramarine Works, Nuremberg, Germany, by Charles F. Zentgraf, through the New York Evening Post, half for Chicago and half for Michigan	200 00
Irvin Simonis, Verviers, Belgium, through Charles Mall, New York, for the West	200 00
Henry Milward & Sons, Redditch, England, through George A. Clark & Brother, New York	175 00
W. Gilbertson & Co., Liverpool, England, by N. L. Cort, New York, £25	136 88
Friends in Edinburgh, Scotland, through W. E. Bartlett, £25	134 67
Joshua Williams & Co., Aberdulais, Wales; Aberdulais Tin Plate Works, through Phelps, James & Co., of Liverpool, and Phelps, Dodge & Co., New York, £25	134 74
Hon. E. L. Stanley, London	110 00
Edmond Hendle, of Paris, by D. H. Wickham, £20	111 00
The Eagle Iron Works, England, through ABRAHAM S. HEWITT, New York, £21	110 51
Z. Staab & Brother, Santa Fé	100 00
Powell & Sing, Liverpool	100 00
Hon. Daniel E. Sickles, United States minister at Madrid	100 00
J. B. Taylor, Edinburgh, Scotland, through A. A. Low	100 00
Dr. Samuel Nicholson, of London, England	100 00
J. W. Schulten, Berlin, Prussia, through A. T. Stewart & Co., New York	100 00
A. Banallon & J. Brossaud, of St. Etienne, France, through Richard Iselin & Co.	100 00
Hamburg American Packet Company, through Kuhnhardt & Co., 150 3 marcs banco	59 32
J. G. Merckens, Aix-la-Chapelle, Prussia, through N. Sullivan & Co., New York, \$50 gold	55 38
M. Gans, Geneva, Switzerland	50 00
John Bradshaw, Manchester, England	50 00
J. Z., Liverpool, England	50 00
Louis de Coppet, Lausanne, Switzerland, through Jacquelin & De Coppet, New York	50 00
F. C. Herburger, Panama, through Henry Clews & Co.	50 00
C. F. Schall, Frankenhansen, Germany	50 00
A. Jacot, City of Mexico, for Chicago, through Horace Greeley	50 00
C. F. Heyse, Swinemunde, through Reger Brothers	50 00
C. M. Welsted, London, through Richard Irvin & Co., New York	50 00
Rev. C. A. Cordis, Lyons, France, through A. Iselin & Co., New York	50 00
C. Hiller & Sohn, Chemnitz, Germany, through Frederick Victor & Achelis	40 00
John J. Lendy & Co., Leith, Scotland, through William Pichhardt & Kuteoff, £5	28 00
F. Del Marmot, Ensival, Belgium, through H. W. T. Mall & Co., New York	28 00
James Klimas, Scotland	25 00
Employes of Henry Milward & Sons, Redditch, England, through George E. Clark & Brother, New York	25 00
H. E. Danekwardt & Co., Schneelberg, Saxony, through Wendt, Steinhäuser & Co., New York	25 00
Robert Knoch & Co., Dantzie, Prussia, through R. C. Burlage & Co., New York	20 00
Charles Downey, London, England	10 00
T. M., Paris, France	5 00
Total foreign contributions	406,252 86

Recapitulation of contributions.

From home contributors	\$625,169 27
From foreign contributors	406,252 86
A. T. Stewart, of New York	50,000 00
Grand total	1,031,442 13

Again, the Chicago meeting declared "The people robbed of their earnings for the benefit of the bondholders" and "President Hayes warped and misguided by interested constitutional advisers," meaning bondholders.

Who are the "bondholders" for the benefit of whom the "people are robbed?"

They are hard-handed working men and women of New York, Massachusetts, and other States, whose deposits in the savings-banks are to a large extent invested in Government bonds. They are widows, orphans, and unmarried women, whose all is invested in national banks. These are the real bondholders. Who are the people robbed? Let me say here in parenthesis that I have discovered since this paper was prepared that one of my servants, ten years in my employ, was the owner of \$400 in Government bonds. He represents the class which will be most shamefully robbed by any law making clipped dollars legal tender for an amount exceeding \$5. How shall we speak patiently of President Hayes, warped and misguided by interested bondholding advisers? Is there one fair-minded and intelligent man outside of Chicago who is not pained by that foul aspersion? Is there one who does not blush in reading it, in an influential newspaper, as a part of the proceedings of a mass-meeting of "five thousand business men," assembled in one of the chief cities of the Union to consider questions of the highest national importance? Is it by such utterances that the suffering people are to be restored to prosperity? Has anybody measured, can any man measure the frightful influence of the Chicago and Bloomington meetings upon current public opinion at the West? Does not the general distress influence and intensify the wild and passionate utterances of desperate men? How are we to meet them?

It is constantly and defiantly said that the people have taken the questions of silver demonetization and remonetization into their own hands; that they understand the whole subject and have proclaimed their edict, leaving Congress nothing to do but execute judgment.

This House has twice acted as if that were true. Is it true? Do the people comprehend the great problem; or have they first been dazzled by the bright and attractive subsidiary coin which began to displace filthy fractional rags a year or two ago and then betrayed and misguided into their present alarming attitude?

Do the people know that we had on the 31st of October at least one hundred and seventy millions of gold in the country; that our monthly product since that time has been nearly four millions; that the silver agitation in Congress has shut out from the country at least twenty-five millions of trade balances, making in all two hundred and seven millions of gold on the 1st of February? Do the people know that we have not much more than fifty millions of silver in the country? Do the people understand and realize that this bill to remonetize silver demonetizes all the gold we now have, with all future products, as explicitly and surely as if it in plain terms enacted that? Do the people prefer fifty millions of silver to two hundred and seven millions of gold? Do we, ourselves, Mr. Speaker, two hundred and ninety-two representatives of more than forty millions of people, realize that but for this silver illusion more than two hundred millions of gold would have been injected into our currency by this time, fully eleven months before the resumption act becomes imperative?

As lawyers we may twist, turn, and split hairs over the exact legal significance of previous legislation forever, but as practical and intelligent men, aiming for the welfare of the people we represent, we cannot ignore the fact without fearful responsibility that we have at this very hour within our reach gold enough for the establishment of a sound currency. Why in the name of all the people do we refuse to inflate our currency on the instant with two hundred millions of gold? Why shall we refuse to accept another one hundred million ready for us during the year 1878? What shall be the consequences of such refusal? Can we plunge into a furnace of fire and not burn? Shall a man melting under a tropical sun save himself by destroying his thermometer? Four or five hundred millions of our bonds are still held in Europe. Not one holder thereof ever received interest in silver. We have never paid interest in silver at home or abroad—never. In practice silver has never been legal tender. We have coined in eighty-four years but eight million forty-five thousand silver dollars all told. Most of these were sent to Asiatic and semi-barbarous nations. Why so few coined? Clearly because they are inconvenient and burdensome. But it is said we had the right to pay in silver prior to 1873 and should have it again. So we once had the right under the law to whip white men at the post, and this bill is a long step backward toward that barbarism! Moreover, concede the right. I do concede it in a certain sense, what then? Burke's answer to the ministers of George III in resisting their insane purpose to tax the American provinces beyond endurance is a lesson in season for us:

Oh, miserable and infatuated ministers! Wretched and undone country! Not to know that right signifies nothing without might; that the claim without the power of enforcing it is nugatory and idle! What! Shear a wolf! Yes, but will he comply? Have you considered the trouble! How will you get this wool?

Is it reasonable, Mr. Speaker, to expect that our foreign creditors will be suddenly transformed into loving and consenting saints? If we offer them silver clipped dollars for interest and principal of their bonds, will they not turn upon us, angry and exasperated, denouncing our breach of implied faith, and return to us our violated obligations? They are doing it now, as I speak, at the rate of half a million a day; what will they do when this bill shall have become a law? You say in triumph let them come, let us own our bonds at home. Have you considered? Can we pay five hundred millions in a day, in a month, in a year, in two years, without overturning and over-

whelming in fell disaster our commercial system? Why all this loss and trouble in the interest of bullionists?

The bill as it passed the House on the 4th of November provides that—

Any owner of silver bullion may deposit the same at any United States coinage mint or assay office, to be coined into dollars for his own benefit, upon the same terms and conditions as gold bullion is deposited under existing laws.

What now are the terms and conditions in respect to gold bullion? Negotiable certificates are issued at the Mint, in practice, to the owners of gold bullion three or four days after its deposit for its coin value. Such certificates are, of course, immediately available and equal to coin itself.

The amendment to the original bill, diverting the profit from the owners of the silver bullion to the Government, does not relieve it of monstrous wrong.

We have here, Mr. Speaker, in this bill with all amendments, the most startling inducement to wide-spread disastrous speculation in silver bullion ever framed as a project of law.

We have seen already how the French senate on the day that the Matthews resolutions passed the House unanimously responded by action pointing directly to the demonetization of silver in France and in all the states of the Latin union if we remonetize it. We also know that Europe is possessed of hoards of silver seeking a market at fully 10 per cent. below our gold-dollar standard. Let us now keep in mind that the first issues of the clipped dollar (or the certificates therefor) will be available for duties at custom-house and bear the same premium (less a brokerage) that gold coin bears, and inquire what that premium may be.

The premium on gold, it would seem, must depend upon the action of the owners of our bonds, held in Europe. They know as well as we do that our total stock of gold does not much exceed one hundred and eighty millions against their five or six hundred millions of bonds. We tempt, provoke, and alarm them by an act of revolution and bad faith! If in panic and anger they return to us even one-fourth of their holdings for prompt realization, gold may advance to 25 per cent. premium. Who shall tell?

In attempting to penetrate the unrevealed mysteries of this proposed revolution, we must keep it constantly in mind that our foreign exchanges are beyond the reach of Congress. Whatever Congress may do or omit to do, our merchants will keep faith with their creditors and pay their debts abroad in gold or its equivalent to the uttermost farthing. There is to be no scaling of their obligations by the "greedy," "rapacious," and "rascally" bankers and merchants of New York! They pay as long as they have a shot in the locker. The men in Chicago who ship wheat to them understand this. If they shall be compelled—as they surely will be, if issued—to ship the clipped dollars of the Forty-fifth Congress abroad, they will go for precisely what they are worth, and not by count.

Again, the total premium on gold, now and in the future, whatever it may be, is a gift by Congress to the producers of that metal on the Pacific coast, wholly irrespective of silver. If there had been no Congress since last 4th of March, there would have been no gold premium now!

If we assume for argument, and to illustrate for the instruction of future generations the wisdom and scope of the silver bill which passed this House on the 4th of November last, 183 to 34, without a word of debate, that the first million of clipped dollars issued will be worth in the displacement of gold at the custom-house 10 per cent. premium, that moderate figure will give to the silver bullionist under the original bill 20 per cent. profit.

Twenty dollars on every hundred, \$200 on every thousand, \$200,000 on the first million.

How long will it take the silver bullionists of the Pacific coast and Europe to deposit ten millions of their silver treasure in the several mints and assay offices of our country? Meanwhile, what premium are our Pacific coast friends to realize upon their monthly gold product of \$4,000,000? Oh, men of the West and South! have you considered that? Whose wool is that?

I commend these questions to those who have unwittingly listened to volumes of eloquent nonsense, a formula of which, boiled down and succulent, I borrow for the occasion from an able weekly newspaper, published in that sea-side city graciously permitted to retire from the Federal Union by the distinguished gentleman from Ohio:

"Gold plot," "goldites," "gold-sharks," "money-kings," "gold-bugs," "dollar of our fathers," "fraud," "laboring-man," "toiling millions," "Mississippi Valley," "silver eagle, one wing in Gulf of Mexico, the other in Lake Superior, tail in the Rocky Mountains," "bloated bondholders," "coupon-clippers," "sponge," "bloodshed," "anarchy," and the people from whom this comes are not French peasants, or Russian Muzhiks, or Parisian Jacobins, but Americans bred in the common schools and long used to self-government.

What more? Let me try to show briefly that this currency revolution means anarchy and extreme vexation in all our industrial and commercial relations.

The bill denies to the intelligent and out-reaching commerce of our country the civilized world's standard of currency. The merchants of New Orleans and Boston, of Charleston and New York, alike resent it, as the farmers of the South and West would defy an act of Congress forbidding them to plow their fields with horses, requiring them to plow with goats and heifers! The combined military force of all Europe would ignominiously fail in an attempt thus to degrade us.

Examine closer this clipped-dollar mania and see if we can discover the virus which threatens a fresh national calamity.

In the first place its advocates demand that there shall be plenty of them. Three or four hundred millions have been spoken of. Enough are wanted to level up the intrinsic value of silver bullion in its relation to gold at least 10 per cent. throughout the world. The people have been encouraged to look for them as the children of Israel gathered manna in the desert—

When the dew that lay upon the face of the earth in the morning had gone up, leaving on the ground a small round thing, as small as the hoar frost, with twice as many every sixth day.

No one pretends to explain the miracle! No one has honestly told the dreamers that they must have a pound of something, or a bushel of something, or a day's work to secure the coveted prize. No one has reminded the people carried captive by this most remarkable delusion that the Government cannot give its dollars away! How, then, are these new silver dollars to reach the people and with what results?

Only as they displace an equal amount of other currency now in use, which will lead to universal disgust. The law which assures that is as fixed as the stars. The issue of clipped dollars will demote all the gold product of the country, with absolute certainty, as I have before shown. The exasperating reflection is that but for this unfortunate miscarriage of reason and uprightness we would be now at this moment in the enjoyment of a gold standard with more than \$200,000,000 actually in hand. It will take four or five years to coin that many clipped dollars under the bill.

We shall have left when the bill is passed the silver dollar, greenbacks, and bank-notes for money. The first-named will soon become, nay, is now while I speak, the most unpopular of all. Who wants it? Will the members of this House consent to receive clipped dollars from the Sergeant-at-Arms from month to month? Not one of us will consent to do it, Mr. Speaker. Is there a servant about this Capitol whose monthly stipend amounts to \$50 who can conveniently or safely receive his pay in silver coin? Not one. What will the saving-banks, the post-offices, the custom-houses, and great merchants do with it but cart it about at great expense? What will the farmer in the West or South do with his bag or keg of clipped dollars received for corn, cotton, cattle, &c., but dig a hole in the ground to hide them until at considerable cost and risk he has transported them to a place of safety?

Do we not know that these practical questions have all been worked out already on the Pacific coast? Do we not know that the 420-grain silver dollar is only worth about ninety-five cents at San Francisco to-day? Do we not know that speculators have already brought enough of them to our chief eastern cities to make them a nuisance, and that the New York post-office, the treasury, and great institutions in other cities already refuse to receive them?

It is to be remembered that with any such amount of dollars coined as is contemplated they must actively circulate in place of the paper money now in circulation. Three hundred millions of clipped dollars will divert, say, two hundred and seventy millions of real capital. Whose capital is that? Neither Government nor the people have any such resources to remain idle and aimless. If coined, these dollars will tend to the chief cities, and in practice, when currency is wanted to move the crops, it will, as a rule, only be obtainable in the form of clipped dollars, to be transported in bags and kegs, under guard, everywhither. Who now shall compute the vexation, loss, and discredit of such a coin currency, absorbing so much real capital. These evils will not all be realized immediately; but they are the inexorable practical meaning of the measure, and the longer we are in discovering it the more frightful and wide-spread will be the attending disaster.

Once before has Congress matched its power with the forces which oppose it in this conflict. I refer to the bill passed on the 16th of June, 1864, forbidding contracts for buying and selling gold. That bill was repealed in sixteen days. The bill before us, if enacted, would be repealed with equal swiftness if it were possible to realize its evils as promptly as in the other case.

What, now, Mr. Speaker, are the illusions which bewilder public opinion and in the judgment of many menace our national integrity?

We do not believe that our standards of uprightness have been permanently broken down, but we cannot deny that disappointment and loss have impaired the average moral courage of the people.

We have lately seen a statement, emanating from high authority, showing that the aggregate indebtedness of one hundred and thirty cities of our country increased from \$220,000,000, in 1866-'67, to \$644,000,000, in 1876; \$424,000,000 increase in about ten years.

It seems to me that fact, well digested, though but a drop in the ocean of our riotous living, will expose the secret of the outcry for unlimited currency of some sort. To put it in half a line, it is the demand of ruined speculators.

Our great balloon burst and came down in 1873, but we did not realize it at the time. The struggle has been continuous and tireless ever since for some device of currency to re-establish impossible values. The House of Representatives of the Forty-fifth Congress has already invented fifty-nine currency bills! I only recall one which proposes in a straightforward way to liquidate the legal-tender war debt of the Government. Why are we indignant that Minnesota and other States repudiate their debts? Why surprised that Ten-

nessee and other States propose to "scale" their obligations? Is not the Federal State the chief of sinners?

The error repeated day after day in this House, that the failures now daily occurring result from contraction of the currency, is strikingly disproved by reliable statistics showing that for the year 1877 there were many more failures at the East than at the West or South. The question arises whether our experience has made us wise enough to accept the truth without further punishment.

I would not speak in this place, Mr. Speaker, in this great exigency with unseemly assurance or self-assertion, but I cannot help speaking with the courage of my convictions. No currency device can now re-establish prosperity for us. Our next era of good times waits for the restoration of confidence between labor and capital, which requires for its base an international coin standard of currency. We have that at hand at this hour if Congress were wise enough to accept it.

We have at least \$175,000,000 of gold in the country. We are exporting our products in excess of our imports at the rate of two millions (or more) per week. We are mining of silver and gold at least six millions per month, and there are eleven months before resumption! Why, oh, why! Shall we commit hari-kari?

In concluding, Mr. Speaker, let me appeal to the public opinion of the South and West to halt. Wait. Discard passion and prejudice. Re-examine your position. Resent and rebuke with just and honorable defiance every imputation hurled against the representatives of capital at the centers of commerce. Drive from your presence, branded with shame, the men, wherever born and however eloquent, who through ignorance or wickedness seek to array labor against capital.

After seventeen years of abnormal strife, intensified beyond precedent by passion, valor, greed, steam, and electricity, storm-driven, buffeted, and scarred, our ship of promised peace, deeply laden with all precious and golden treasures, is sighted in the offing! She is able and waiting to come into port, through the straits of honest endurance, lighted by experience and sustained by the true American spirit. Shall we put out the lights? Will we obstruct the channel? Dare we remove the ship's helm, leaving her crippled and helpless?

I hear members of Congress say that they are themselves opposed to the silver mania, but that they will be burned in effigy at home if they vote against this bill. I think it better than the passage of this bill making the silver dollar of 412½ grains unlimited legal tender that no member of this Congress shall ever be returned again. We shall all agree that there are no four hundred lives in our country to be weighed in the balance against the national integrity. We shall agree, again, that there are no compensations in life for ineffaceable disgrace!

Mr. KENNA. Mr. Speaker, in view of the fact that the various questions connected with the currency of the country in every form are pending before the appropriate committees of this House, and in view of the additional fact that I go further in my madness than the "silver lunacy" to which the gentleman from New York [Mr. CHITTENDEN] has alluded, I ask to have read at the Clerk's desk, as part of my remarks, a series of resolutions offered by me in this House on the 28th of January last; and, with the permission of the House, I shall address myself to the propositions embraced in those resolutions.

The Clerk read as follows:

Joint resolution relating to the repeal of the resumption act, remonetization of silver, and the legal-tender currency.

Whereas the coin act of 1869 and the funding act of 1870 were twin measures of agrardgment, in the interest of the bonded creditors of the country, in utter disregard of the rights of the country itself, and, while intended to make the national debt payable in coin, were also calculated to maintain indefinitely the financial supremacy of the privileged few, and to increase and perpetuate in the interest of that few the burdens of the masses: Therefore,

1. Resolved, by the Senate and House of Representatives of the United States of America in Congress assembled, That said acts be so far modified or repealed as to prevent the further assumption of gold and silver liabilities upon securities which are payable in the lawful money of the country.

And whereas the act of 1873, by which silver was demonetized, deprived the country of the advantages of silver as a means for the payment of debts made by the contract payable in silver or gold, and to that extent was a repudiation of a contract as binding on the bondholder as on the country and the tax-payer: Therefore,

2. Resolved, That the silver coin of the country, of the standard at which it stood upon the passage of said act, be at once remonetized and restored to its functions as a coin current of the land.

And whereas the resumption act of 1875 means a funding of the greenbacks into gold-bearing bonds on the one hand, or the turning over to the money-changers the control of our currency afloat, with full power to prevent or provoke a panic, as their interests may suggest, on the other hand;

And whereas the said act has already contracted the currency to the destruction of the business of the country, and may further contract it to the destruction of its peace: Therefore,

3. Resolved, That the said act be unconditionally repealed.

And whereas the national-bank system interposes the bondholder, with special privileges and exemptions at the expense of the masses, between the wants of the people and the supply by the Government of the currency necessary to meet the legitimate demands of the business of the country: Therefore,

4. Resolved, That said national-bank system be speedily abolished.

And whereas the legal-tender dollar of the United States is the best paper currency the world has ever had, entitled to receive, and enjoying the full respect and confidence of every element in the country save only the country itself: Therefore,

5. Resolved, That the greenback currency be made a full legal tender, receivable for all dues and demands, public and private, including imports and customs: And, finally,

6. Resolved, That outstanding liabilities of the Government redeemable in lawful money be so far redeemed as to supply to the wasting industries of the country

sufficient currency to meet their legitimate demands, to the end that business may be revived, labor employed, and prosperity restored within our borders.

Mr. KENNA. Mr. Speaker, the youngest member on this floor, as I am, I have sought from my first entrance here to occupy as little of the time of this House as my convictions of duty would allow. On many questions of public interest I have been content to cast my vote, not in any way disposed to darken counsels by the multiplying of words or needlessly to protract debate. There are times, however, in the history of every man when a clear conception of duty presents no alternative to his choice. Representing on this floor nearly two hundred thousand people, who are gravely concerned and entitled to be heard, I shall to-day offer their contribution to the appeal, which has swelled the hearts of the millions from the center to the circumference of this great Republic, for the right to live. I am not one of those who maintain that when this Government executed its bonds and sold them at half value for greenbacks it gave a lien on the property, lives, bodies, and souls of its inhabitants. Nor am I one of those who are willing to concede that the laboring element of the country has no rights which the bondholders and money-changers, who, in person or by proxy, infest the daily walks of these lobbies, are bound to respect.

I feel devoted to the integrity and honor of this nation. It is my country by the title which authorizes the fathers to transmit the earnings of their hands, the trophies of their battle, and the price of their blood to their children, in fact or by adoption, forever. I would not subtract one jot or tittle from the sum of its honest obligations and I would not repudiate its honest liabilities to the fraction of a farthing. But, as I value its integrity and its honor, as I hold dear its standing among the men and the nations of the earth, I would see it rise above the venal service of the spoiled and puffed and bloated few and stand in the performance before God and man of equal and exact justice to every element of its population and to all the world.

Mr. Speaker,

THE TIMES ARE OUT OF JOINT.

Blessed with plenty, this country is filled with want. With a continent undeveloped, four millions are unemployed. Abundant harvests groan in their granaries for want of market, while the cry of hunger and desolation goes up from valley and from hill-top throughout the land. Factories and workshops are idle, while anxious artisans are knocking unheeded at their doors. Enterprise has laid itself down to die and the hour of its dissolution is at hand. Drear-eyed want, associated with visions of desolation and despair, stalks abroad in ghastly form, while the music of the money-changers' revel is mingled with the wails of desperation and death. As the artist cannot take in one sketch the continuous line of landscape that spreads itself out to his view, so must we fail with a single glance of the mind to realize the full measure of misery that oppresses the land of the cotton and the corn.

There has just been handed to me by my colleague [Mr. WILSON] a paper with a dispatch from a city in close proximity to the district of the gentleman who has just spoken, [Mr. CHITTENDEN.] I read the dispatch, which I commend to his attention:

FAMINE IN HOBOKEN.

NEW YORK, February 8.—Three thousand people are suffering for food in Hoboken.

This is happening within sight of New York from whence comes this concentrated outcry against the financial relief of the country. When our fathers lifted their bleeding country from the dust and made it free, they dedicated it to the happiness of generations yet to be born. But the ancient landmarks have been destroyed and the institutions of our ancestors have been defiled. The people no longer hold the helm of the ship of state.

THE MONEY CHANGERS AND PIRATES ARE ON THE DECK.

Look at the influences which control our legislation. We have a Congress certainly not below the average in morality, in devotion to duty, and in brain. If the American people could depend upon the exercise of those qualities, uninfluenced by outside pressure, undirected in the settlement of these grave questions by dealers and traffickers in money and securities, I venture the assertion that such honest solution as we might attain would be accepted without complaint throughout the country. But while human nature is human nature these influences will not subside. Why, sir, it is well known that a great railroad company exercises unrestrained control over the Legislature of the second great State in the Union. That corporation enjoys and exercises in that State more than a veto power, and the monopoly that despises the idea of competition holds undisputed sway. It is also well known that every ring swindle and job which looks to legislation either State or national for its promotion finds a way to reach the legislative pulse and to inspire to some extent the legislative heart. Sir, it is worse than folly to suppose that an act can be passed here to affect directly or indirectly the great interests involved in the bonds, currency, and metals of the country without the perceptible influence of that power which organized capital can always command.

Members are reached through every available avenue. Petitions are signed by men who never read their contents. A single employer commands obedient co-operation on the part of a thousand employed, and the laborer petitions, in present necessity, against his own future wants. Constituencies are manipulated in the great money centers with the specious glare of torches and the strains of martial music, and in Massachusetts, even the churches, desecrating the temples which

ought to be dedicated to the service of God, divert their appeals from the Throne of Grace for mercy to the bar of this House for gold.

Who can stand upon this floor and say with truth that the corruption which gold can buy has not tainted the very atmosphere which surrounds us? The voice of the husbandman is hushed, and the member who would sound a note in his behalf is denounced as a demagogue and a man of little mien. The appeal of the laborer is lost. He rises with the sun, to walk his weary way and, it may be, to lie down in hunger and distress. But the bondholder and money-changer is here. With gilded livery he rides the public thoroughfares and in conscious power he invades these halls. He dictates the law that shall control the destinies of forty millions of freemen and comes down from Lombard and Wall streets to view the performances of this body as a herdsman would regard the cattle upon his hill-sides, glorying in their ownership in fee simple forever. Sir, the time has come to call things by their right names in this Hall as elsewhere, and, mingling a determined purpose with the "indiscretions" of youth, by the help of God, I propose to do it.

WHERE THE COUNTRY IS, HOW IT GOT THERE, AND HOW TO REDEEM IT

are questions worthy indeed of a better day and generation than this. Where it is can be readily answered. It is in the hands of the goldmongers, horse, foot, and dragoon. It got there through the influence of a press subsidized to divert from real issues at the polls the minds of the unsuspecting masses. It got there through the unseen mystic agency that could bring a Secretary of the Treasury to give the falsehood to every word and act of his past career and lead a President, fresh from the utterance that the greenback dollar was the best paper money the world had ever seen, to the bold abandonment of every act that would support the assertion. It got there by an agency that has caused empires to rise and fall and names and nations to perish from the earth: through that lust for gain that has enthroned gold as king of the universe and laid flesh and blood to perish at his feet. The process was simple but awful in its grand details. The country was involved in war. The means for its prosecution was in the hands of the money-changers. They furnished those means upon terms. They exacted interest in gold payable twice per annum and exemption from taxation on their bonds. Upon these stipulations they lent to the Government, in the throes of revolution, its own depreciated currency and took back the bond for the pound of flesh. Then it was, in the language of Senator VOORHEES, that gold and silver covered to the rear while the legal-tender dollar went to the front with the flag and staid there.

THE ACT OF FEBRUARY, 1862,

originated the bonded indebtedness of the country. The universal opinion of intelligent men concedes that three-fourths of the bonds created by that act were payable in currency. The terms of the contract between the Government and the holders were placed beyond dispute. Language could not have been plainer, and the boldness was not found that would deny its meaning. With this proposition established, it is needless to follow

THE VARIOUS SUBSEQUENT ACTS

covering a period of seven years. During all that time the public mind was diverted from these issues. The revolution and its horrors, the reconstruction of the South, negro suffrage, the restoration of the civil liberties of thousands of white men who were disfranchised in the States, the recovery of the country from the shock of battle and the storms of war, all these and many other problems—then of pressing importance—made it natural enough that matters of serious concern, but remote in their consequences, should be passed for the time. In the canvass of 1868 the people allowed the passions engendered by the war to be enkindled afresh and to lead them to yield an easy triumph to that organization which was already asserting its unholy demand for payment in coin. The resounding boom of civil conflict had scarce died out in the land when

THE ACT OF MARCH, 1869,

became a law. It created in express terms an obligation to pay the debt of the country in coin. Ignoring and despising a rule which has commanded the respect and veneration of mankind for centuries, it created, without consideration, a new contract with the bondholder. It declared in effect that, unlike other mortals, he was exempt from the binding force of his obligations. It reduced to vassalage the mass of the American tax-paying public, and provided that the contract by which a large part of the debt of the country was made payable in currency should be repudiated in behalf of the holder of bonds. In order that the bonds expressly made payable in lawful money might also, beyond all cavil, be made payable in coin, and thus to consummate the triumph of aggression,

THE FUNDING ACT OF 1870

was passed. Its object was to fund the five-twenties, which were payable in currency, into 4, 4½, and 5 per cent. bonds payable in coin. King Humbert did not succeed to the reins of government on the death of Emmanuel with greater assurance or boldness of front than did the money power assume control of this nation when the purse of the public was surrendered into its hands by the two acts I have named. It would have enacted that specie payments should then be resumed: it had the power, but the time had not come. Gold and silver were both coin, clothed with all its prerogatives and receivable in discharge of the enhanced obligations. The crop lay stretched

out, covering a continent; but the time for the harvest was not at hand. The aggregate sum of the Government bonds was the purchasing power in the hands of their holders, and while both gold and silver were available for their payment the property and labor of the country, in the absence of the resumption act, were tolerably secure. The gold and silver metals stood between that property and confiscation; they stood between the industries of the country and stagnation; they stood between the labor of the country and starvation. The bonds are a liability upon the money of the country and its property. To the extent, therefore, to which the money of the country available for their payment could be demonetized, the obligations of the property of the country would be increased; to the extent to which the volume of money, either by contraction or by the destruction of its qualities, could be lessened, the value of property, activity of enterprise, and demand for labor would be reduced. I cannot forbear a reference here to a passage in the report of the United States monetary commission, to be found on page 53 of their interesting volume. It reads as follows:

While the volume of money is decreasing, even although very slowly, the value of each unit of money is increasing in corresponding ratio, and property is falling in price. Those who have contracted to pay money find that it is constantly becoming more difficult to meet their engagements. The margins of securities melt rapidly away, and the confiscation by the creditor of the property on which they are based becomes only a question of time. All productive enterprises are discouraged and stagnate because the cost of producing commodities to-day will not be covered by the prices obtainable for them to-morrow. Exchanges become sluggish, because those who have money will not part with it for either property or services, beyond the requirements of actual current necessities, for the obvious reason that money alone is increasing in value, while everything else is declining in price. This results in the withdrawal of money from the channels of circulation, and its deposit in great hoards, where it can exert no influence on prices. This hoarding of money from the nature of things must continue and increase not only until the shrinkage of its volume has actually ceased, but until capitalists are entirely satisfied that money lying idle on special deposit will no longer afford them revenue, and that the lowest level of prices has been reached. It is this hoarding of money, when its volume shrinks, which causes a fall in prices greater than would be caused by the direct effect of a decrease in the stock of money. Money in shrinking volume becomes the paramount object of commerce instead of its beneficent instrument. Instead of mobilizing industry, it poisons and dries up its life-currents. It is the fruitful source of political and social disturbance. It fomented strife between labor and other forms of capital, while itself hidden away in security gorges on both. It rewards close-fisted lenders and filches from and bankrupts enterprising borrowers. It circulates freely in the stock exchange, but avoids the labor exchange. It has in all ages been the worst enemy with which society has had to contend.

Understanding the force and effect of all this, realizing the full measure of his opportunity, the bondholder made his onslaught upon silver by

THE ACT OF FEBRUARY, 1873.

Mr. Speaker, there is serious dispute about the manner in which this act became a law. Silver was the original unit of the country, adopted and sanctioned by the patriot fathers and handed down to us with the liberties they achieved. It is charged, and not without cause, that the bill which demonetized it was never read. That the crime of midnight assassination was thus preferred to open murder adds but little to the sum and substance of the mortal wrong. Whether it was the act of a thief in the night-time or a highwayman in the sunlight of heaven, it was a spoliation of the people by the bondholder to the extent of every silver dollar on American soil. It will not do to say that it robbed them only of the difference between the value of silver and gold. In private transactions that is true, but so far as the bonds are concerned, it absolutely destroyed silver as a means of payment. Nor can it be said that silver was assailed because it was of less value than gold, for at the very time of the passage of the act silver was higher in the market than gold.

GOLD ITSELF WAS DEMONETIZED

by Germany and Austria in 1857, and silver alone is the standard adopted coin of thirteen of the nations of the earth with nine hundred millions of population. More than three-fourths of the people of the civilized world use silver alone as a specie basis and yet we are told by the money power now that silver is a debased metal unfit for the hallowed hands of the usurers and the money-changers. Sir, it was demonetized to make money scarce, to make gold the only standard—gold, in which it is physically impossible ever to pay the American debt—and thus to perpetuate the payment of interest on bonds and their exemption from taxation forever. There is no eye to see, there is no voice to sound the depth of the iniquity of this flagrant destruction of popular right. But the harvest was growing ripe for the gathering.

First. The bonds payable in currency had been bought for fifty cents on the dollar.

Second. The contract had been repudiated and they had been declared payable in coin.

Third. The contract was again repudiated and they were declared payable in gold.

Fourth. The panic of 1873 and kindred results of financial legislation had paralyzed business, annihilated values, and laid prostrate the bleeding industries of the country. The money power, like a demon of darkness, had cast its shadow over the land. Desolation and ruin had followed in the trail of its triumphal march from the coin act of '69 to the dreary winter of '75, while around the altars of its deified gold flowed the crimson life-tide of American prosperity and peace. Then it was that with calm cruelty, with the devilish purpose of spo-

liation under the attractive guise of "national honor," the consummation was to be reached.

Mr. Speaker, I have heard that there is a monster in the wilds of South America that winds its huge length about the body of its prey and draws and contracts its coils until the victim in its terrible grasp, whether man or beast, is crushed and mangled until helpless beyond defense; then the hungry serpent devours at its leisure the unresisting form before it. Sir, the boa-constrictor and the anaconda have their counterparts here. The coin act of 1869, the funding act of 1870, and the gold act of 1873 performed the crushing-in part, while

THE RESUMPTION ACT OF 1875

completed the task and laid resistless the paralyzed industries of forty millions of people for the process of devouring. Right vigorously has the fearful work been hurried along. The forced contraction of the currency brought about by that act has borne its fruits. The poverty, disaster, and destruction of values which have followed its enactment are matters of ocular demonstration on every side. The monetary commission, on page 56 of their report, have presented their views of the effect of a shrinking currency. They say in strong terms:

Howsoever great the natural resources of a country may be, however genial its climate, fertile its soil, ingenious, enterprising, and industrious its inhabitants, or free its institutions, if the volume of money is shrinking and prices are falling, its merchants will be overwhelmed with bankruptcy, its industries will be paralyzed, and destitution and distress will prevail.

But authorities do not stop here; they are abundant beyond my power to recite. William H. Crawford, Secretary of the Treasury, in an official report to Congress, speaking of currency, as early as 1820, said:

All intelligent writers on currency agree that when it is decreasing in amount poverty and misery must prevail.

At a much earlier period David Hume wrote as follows:

The good policy of the magistrate consists only in keeping it, if possible, still increasing; because by that means he keeps alive a spirit of industry in the nation and increases the stock of labor, in which consists all real power and riches. A nation whose money decreases is actually at that time weaker and more miserable than another nation which possesses no more money, but is on the increasing hand.

I have endeavored to present—and with what imperfection I have done it I freely confess—the general line of policy which the money-changers pursued. With a voice as unequal to the task as a finite mind to an infinite wrong, I have endeavored to point out the course of the conspiracy and the evils which have marked its progress to success. The blighted homes, the blasted hopes, the withered energies of men and women in every State and county and hamlet in the Union raise a monument as terrible as it is grand to the triumph of legal plunder and the glory of its spoils. To perpetuate this system upon American soil is as impossible as to contradict the destiny that almighty God intended his creatures to fulfill. The oppression of American labor is an accomplished fact; but the holding it in bondage is as mad an undertaking as the changing the tides of the mighty deep.

Sir, the winds and the storms may come, hurricanes may sweep over us carrying death and destruction on their way, the fates may combine and visit upon us their redoubled furies, but American manhood, resisting oppression as a thing of evil, will arise from its thrall-dom and reassert the power that bids it to be free. Sooner or later, and I believe the hour is nigh at hand, the intelligent mind of the country will bring relief. Measures looking to that end have gained strength with the march of our progress onward. And first among these is and must be

THE REMONETIZATION OF THE SILVER DOLLAR.

Such an act is not only an act of justice—it is an act of restitution as well. The bold crime that demonetized it violated the best judgment of centuries. It had for its object no theory of sound policy and no reasonable pretext of public use. It was robbery plain and undisguised. On pages 157 and 158 of the third volume of the works of Alexander Hamilton, in his report on the establishment of a mint, in 1791, Mr. Hamilton says:

To annul the use of either of the metals as money is to abridge the quantity of circulating medium, and is liable to all the objections which arise from a comparison of the benefits of a full with the evils of a scanty circulation. * * * Neither could the exclusion of either of them be deemed in other respects favorable to commerce.

In a letter to Mr. Hamilton, written in 1792, page 330, volume 3, of his works, Thomas Jefferson says:

I concur with you that the unit must stand on both metals.

And even Massachusetts, now so clamorous against silver that even her churches have petitioned Congress in opposition to the Bland bill, is committed to the double standard by an oracle who was worshipped by her in his day and whose words are in strange contrast with the memorial of the money-changers in the temple. Daniel Webster in his life-time declared as follows:

I am certainly of opinion that gold and silver, at rates fixed by Congress, constitute the legal standard of value in this country, and that neither Congress nor any State has authority to establish any other standard or to displace this standard.

Before the French monetary commission of 1869, their great expert, M. Wolowsky, testified:

If, by a stroke of the pen, they suppress one of these metals in the monetary service, they double the demand for the other metal to the ruin of all debtors.

M. Rouland, distinguished for his financial ability, and president of the Bank of France, made the following statement:

We have not to do with ideal theories. The two moneys have actually co-existed since the origin of human society. They coexist because the two together are necessary, by their quantity, to meet the needs of circulation.

Baron Rothschild, whose name is a synonym the world over for his learning and ability as a financier, stated:

The simultaneous employment of the two precious metals is satisfactory and gives rise to no complaint. Whether gold or silver dominates for the time being, it is always true that the two metals concur together in forming the monetary circulation of the world and it is the general mass of the two metals combined which serves as the measure of the value of things. The suppression of silver would amount to a veritable destruction of values without any compensation.

In giving his testimony before the Belgian monetary commission, Professor Laveleye observed:

Debtors, and among them the state, have the right to pay in gold or silver, and this right cannot be taken away without disturbing the relation of debtors and creditors, to the prejudice of debtors, to the extent of perhaps one-half, certainly of one-third. To increase all debts at a blow is a measure so violent, so revolutionary, that I cannot believe that the government will propose it or that the Chambers will vote it.

And after a full investigation by the monetary commission selected and appointed by the Congress of the United States into the financial policies of all the world, after a thorough study of the grave question in the light of the experience of every age and condition of man, that commission says:

If the policy of chaining the industry and commerce of the world to a single metal be persisted in by the United States, Germany, and the other European countries acting in concert with them, money must still rise in value, and prices must continue to fall. The depression in productive industry will become more deadly and the number of idle laborers will indefinitely multiply.

Mr. Speaker, these considerations would be overwhelming if not a dollar of silver were produced in the United States and if silver had never been an element in the contracts of the Government. But when it is remembered that the United States is the great silver-producing nation of the earth and that its indebtedness of \$2,000,000,000 was credited when silver was a legal tender for its payment, both the self-preservation which dictates the protection, enhancement, and use of our own product and the element of justice that enables us to maintain the observance of a contract in which our whole people are involved make it clear beyond all rational dispute that silver should resume its functions as one of the legal tenders of the land. Why, sir, if our Treasury should draw from the rich mines of Nevada until two billions of silver dollars could be counted out from its vaults, not a single dollar of all the vast sum could be paid to the bondholder in discharge of his bonds. Add to these considerations an epitome of the evils its striking down entailed—the doubling in effect of the national debt, a corresponding decrease of all values, its tendency to perpetuate our bonded obligations by depriving the country of the means of their payment—and the sentiment of demonetization should be discarded as we would evoke from our borders a pestilence or a plague.

THE REPEAL OF THE RESUMPTION ACT

is also demanded. We demand it because the resumption of specie payments will involve a further contraction of the currency, whose volume has already been reduced in defiance of justice and of right. We demand it because resumption, without the gold to resume, involves the funding of our greenback currency into gold-bearing bonds with exemption from taxation. We demand it because actual resumption is beyond the possibilities of human achievement, and pretended resumption is a lie and a fraud. Sir, we either can resume specie payments or we cannot. Leave other debts public and private entirely out of the question, the debt of the Government represented by the greenbacks is three hundred and forty millions. We have in the Treasury less than fifty millions of gold. The law authorizes the Secretary of the Treasury to issue 4, 4½, and 5 per cent. gold-bearing bonds. If specie payments can be resumed, it is plain beyond cavil that there is but one way to do it. That way is to limit the amount of currency to be redeemed per day, per week, or per month. Use the gold in the Treasury to the extent of that limit. Then issue 5 per cent. gold-bearing bonds and buy back the gold. Proceed again as before to the redemption of another installment of greenbacks, and repeat the process until you have done.

But when you have done, Mr. Speaker, what have you achieved? You have funded the greenbacks into gold-bearing bonds. You have destroyed the greenback currency of the people. You have contracted the currency \$340,000,000 and added \$17,000,000 interest per annum in gold to the sum of your obligations. When the ruin and distress which have followed a contraction of eighty millions are contemplated the area of destruction that would follow this fresh diminution cannot be defined or its enormity conceived. But the resumptionists assure us that the greenbacks will not be presented for payment. They tell us the people will not want the gold. General EWING, of Ohio, in his masterly speech on the subject said on this point:

True, the masses will not. They never have wanted it in preference to greenbacks, which they always have regarded as being, in the language of President Grant's message in 1873, "the best paper money they ever had." But the people generally will have no more to do or say as to the redemption and cancellation of their currency than they have had with the finance policy of the Government for the past twelve years; than they had with the establishment of the national-bank system; or the funding of the \$1,300,000,000 of interest-bearing Treasury notes; or the passage of the infamous act of 1869; or the rascally sleight of hand by which silver was demonetized; or the enactment of that sum of financial villainies—the

resumption law. The national banks, the importers, the gold rings in New York, the desperadoes of Wall street, the money kings of Europe to whom we are financially enslaved, they will present the greenbacks for redemption and destruction as fast as the gold can be paid over the counters of the Treasury.

Thus, Mr. Speaker, will the people in this, as in every other instance, be deprived of the control of their currency. If they do present the greenbacks, they force their funding into gold-bearing bonds. If they fail to present them the sharks and the Shylocks who for the last ten years have used the financial legislation of the country as an instrument of torture to the masses and a system of robbery for themselves will hold high carnival over the power in their hands to buy up and present or withhold the greenbacks, to reduce or increase the amount in circulation, and to spare or provoke a panic as their interests and their pastimes may require. Sir, the forced resumption and consequent contraction and funding into bonds on the one hand, or the power in the bondholder and money-changer to create a rush upon the Treasury with the attendant evils of a financial panic on the other hand, are the alternative misfortunes for which there is no remedy save by repeal.

The coin act of 1869 and the funding act of 1870 did violence to the rights of the people. The one undertook, without consideration, to make coin obligations out of paper liabilities; the other funded currency bonds into coin bonds. The tendency and object of both are to transfer all the securities of the Government into gold and silver demands. The wrong they inflicted must, as far as practicable, be righted. If a modification will prevent a further consummation of their joint purpose they should be modified. If repeal be necessary to stay the torrent they should be repealed. Besides the direct evil these measures entail by increasing interest, and annual burdens, and building up a moneyed aristocracy to revel and fatten on the miseries of men, they place an embargo upon investment in business or in enterprise and offer a profitable and safe asylum to timid capital.

So enormous to the Government is the burden which exempts their bonds from taxation and pays them interest in gold, that the bondholders have already been paid in gold, of principal and interest combined, a sum equal, in round numbers, to \$300,000,000 more than the whole amount of their bonds. Such a system lays an embargo on the investment of capital in legitimate business.

Who will invest his money in land and till it for 3 per cent. per annum when the falling rains of spring-time, the scorching drought of summer's sun, or the blighting frosts of an early fall may destroy the product of his money and his skill and his toil, if he can place it beyond the reach of summer's suns or winter's storms by investing it in bonds? Who will invest his fortune in ships that go down to the sea, and may be lost in its waves, if the same fortune can find exemption from taxation and gold interest twice per annum in the bond which neither wind nor tide can drive from its safe moorings? And who, sir, will invest his funds in the employment of labor, with all its attendant cares and anxieties and a fluctuating market or no market at all for its product, when the Government in its bonded system advertises to the world a better investment than the arm of industry or the soil which Almighty God gave to man? Sir, the star of destiny points us backward. The undoing of much that we have done must be the first of our great achievements. The resumption act, with its attendant wrongs and hardships, should be repealed. The dollar of our fathers, with all its uses and its consequent values, should be restored. The

NATIONAL-BANK SYSTEM,

which makes the bondholder a medium of supply and demand between the people and their Government, should be abolished as hurtful to our institutions. It can be maintained by nobody but bondholders. The deposit of \$100,000 in bonds will draw from the Treasury \$90,000 of national-bank notes. The banker then draws interest in gold from the Treasury on the bonds and interest from the people on the currency. Thus his profit is doubled. The system is wrong for another reason; it leaves the bondholders to decide what amount of circulating medium the country is to have. That, I submit, is wrong. It is a power that cannot safely be intrusted to any class or set of men. It cannot especially be intrusted to a class of men whose interest will be to curtail and limit the circulation so as to command a higher rate for their loans and discounts and increase the purchasing power of their stocks. Sir, the interposition of the bondholder between the people and their Government is akin to religious persecution, which the great Phillips described as a blasphemous interference between a man's conscience and his God. The currency should come direct from the Government, without let or hindrance.

But the power to emit the greenbacks is questioned. The gentleman from Ohio [Mr. GARFIELD] argued that they were originally emitted in the exercise of a war power. Even, sir, if that were the case, if the necessities of war alone could justify the issue of the greenbacks, the same necessity would commit the country to all the legal logic that followed the act. The liberation of the slaves was declared to be the exercise of the war power. And yet we all know with what exact detail every privilege that followed freedom has been guaranteed and enforced. If the safety of the country in war linked the Government to the greenback system, the salvation of the country in peace must hold it there until the evils the system was designed to avoid shall have been dispelled. But, Mr. Speaker, the issue of the greenback currency has not been based on the exercise of a war power. The Supreme Court of the United States has had this question in hand.

Its decision will be found in the case of *Knox vs. Lee*, 12 Wallace, 437. The court affirms the right, without resort to the subterfuge and pretext of tyrants. Speaking of *Veazie Bank vs. Fanno*, the court says:

There this court avowed that it is the constitutional right of Congress to provide a currency for the whole country; that this might be done by coin or United States notes, or notes of national banks, and that it cannot be questioned Congress may constitutionally secure the benefit of such a currency to the people by appropriate legislation.

I do not antagonize General Ewing's theory that a greenback dollar once redeemed is redeemed forever and must be destroyed. But I maintain the power in the Government as an original proposition, supported by the decision of the highest tribunal in the land, to issue new greenbacks whenever and to whatever extent the exigencies of the time, the business of the country, the wants of trade, and the welfare and happiness of the people may demand. I do not ask, nor does anybody ask, that the paper-mills shall be started and grind out currency until the air is filled with flutter and confusion. What we want is that the Government shall stop the folly of contracting the currency to the disparagement of the people and supplying its place by the increase of gold-bearing securities to its own inevitable ruin. Ay, sir, we want, further, that the outstanding liabilities of the country, payable in lawful money, shall be so far redeemed in greenbacks as to supply to the starving millions the currency they need. And we want the greenback currency relieved of the ban which the law that created it placed upon it. It should be receivable for all debts public and private, so as no longer to stand dishonored by the power that gave it birth. It is worth more than silver now, substantially as much as gold, and it will be better than either silver or gold whenever the Government makes it a full legal tender, thus giving it a full place among the paying powers of the land. Mr Speaker,

I AM NO COMMUNIST.

I represent no communistic constituency. When the troubles of last July were started and gathered terror on their way, like some mighty conflagration, the railroad that runs two hundred miles through my district was the only grand trunk line from east to west that did not feel the shock. To the credit of its employes, be it said, not a man left his post; not a murmur was heard. And more recently I have witnessed, in my own town, the organization of a military command, composed half and half of the battled-scarred veterans of both the late contending armies, hand in hand, heart to heart, under the old flag, to do and to dare for the common country of them all.

Sir, the war is over in West Virginia. But, Mr. Speaker, the duty of this hour would not be all performed if I failed on this occasion, not as a disturber but as a promoter of the peace, to point to the lesson which history holds before us. Upon the authority of Thomas Jefferson, who was on the scene, we know that the line which marked the distinction between the rich and the poor, before the French Revolution, was widened in that country until the wages of a year was less than twenty of our dollars. We know that the strong arm of military organization suppressed the volcano of popular impulse for a time, until finally, despising the paltry power of human restraint, it burst forth with a fury that shook the earth. Sir, I would have such an experience forever impossible on American soil.

THE AMERICAN LABORER IS NOT A SLAVE.

He is a man of noble instincts and patriotic impulse. He loves his country, he fights its battles, but he is fond of peace. While his passions are held in voluntary subjection the appeals of his manhood should not be ignored. Let measures for his relief be dispensed with paternal care. Let the citizen realize that this is a Government which he is to love for its protection and not to hate for its wrongs. Let commerce be restored. Let drooping industries arise. Let men go forth to their harvests in peace, and rejoicing in the land of the eagle and the dove. Let the swift wings of enterprise throw off their paralysis and embrace the air. Unloose the fetters that have bound our country's brain, and break forever the chains which hold in bondage the genius of the New World, a genius ordained under the providences of God to be free.

Mr. BREWER. Mr. Speaker, I do not desire to take the time of this House in making any extended argument upon the silver question, a question which has for a long time attracted the attention of the people and occupied the time of the House. The argument for and against the coinage of the silver dollar and making it a legal tender for all debts, both private and public, seems to me nearly exhausted. I therefore only wish to state the conclusions which I have arrived at after attentively listening to or carefully reading nearly every speech which has been made in both Houses upon this perplexing question. I know well a minority of this House believe that the best interests of the country will be subserved by maintaining the single or gold standard, and they give many and strong reasons upon which they base their judgment; but we cannot overlook the fact that a large majority of the people, as well as a majority of their direct representatives here, believe that we should utilize the large silver productions of our country by coining the silver dollar and giving it again its legal-tender quality, and that the act of 1873 prohibiting the coinage of the old silver dollar was a mistake. It must be conceded that those who favor the coinage of the silver dollar with its legal-tender quality are divided, at least in the object they desire to accomplish. A large number are in favor of the unlimited coinage

of the silver dollar for the purpose of making a cheaper currency or a cheaper money than we now have, while another class desire to utilize our silver productions by making a currency which shall approximate and remain so near to the value of our present legal-tender currency that one can easily be exchanged for the other. I wish to say that I am desirous of co-operating in perfecting some measure which shall carry out their views as above expressed.

In my judgment, should the so-called Bland bill become a law it will inevitably operate in carrying out the views of that class who desire cheap money, and the enforcement of such a measure in accordance with the intention of its supporters will work great and irreparable injury to all classes of our people. There are two ways in which the coinage of the silver dollar with a legal-tender power or quality can take place and thereby create a currency or coin which the people will be able to use for all practical purposes, and the same can be easily convertible into our present gold or greenback currency without material inconvenience to any one. First, by limiting the amount of coinage of the dollar of the weight and fineness provided in the Bland bill. Secondly, by increasing the weight of the proposed silver dollar. I believe we can float in this country from thirty to fifty millions of silver dollars of the weight of 412½ grains without any material inconvenience to the people or the Government, and maintain the same at or near the value of the gold dollar.

Hence I am willing to vote for any measure which will give the Government power to purchase silver bullion at its market value and coin the same into silver dollars of the weight above mentioned to a limited amount such as I have suggested, and should any measure be presented here authorizing the coinage of the silver dollar to an unlimited amount but with such increase in its weight as in my judgment will make and maintain it equal in value to our present legal-tender coin or currency, so that the same may be easily convertible into gold or greenback currency, then I shall gladly support such a measure. I voted against the so-called Bland bill, which was rushed through this House under a suspension of the rules without a moment's consideration, because there was no limitation in that bill and no one would have any power under it to control the limitation thereof except the silver producer, and should that bill become a law the Government would be compelled to coin all the silver that should be sent to the Government mints, whether such coined dollar was worth fifty cents or one hundred cents in our present legal-tender money. The power of controlling the amount of such coinage should never be surrendered by the Government to the control of any one. The principal object of this measure seems to have been to make a cheap circulating medium, not for the benefit of the people, but for the benefit of those who are fortunate enough to be interested in the great silver mines of the West. Should that bill become a law, they can take their silver bullion to the mints and for every ninety or ninety-two cents' worth of such bullion the Government, free of charge, gives them that which the farmer, the mechanic, the merchant, and laborers of all kinds must take for a dollar. The great hardships which such a measure would inflict on the people may not be readily seen by them now, but it would not be many months before it would be stamped by them as the grossest fraud that was ever perpetrated by any legislation in this country.

I, for one, am not here to support any such legislation as that. Sir, the forty-five thousand voters in my district, and whom I have the honor of representing upon this floor, did not send me here to legislate entirely for the interests of the few men in this country who are interested in silver mining, but they sent me here to legislate for their interests and for the interests of the whole country. If we are to coin the cheap dollar or the dollar of 412½ grains, then clearly the difference between the value of the bullion and the coined dollar should be saved to the Government for the benefit of the people. There can be no man in this country who would not prefer to have a silver coin worth one hundred cents in gold, wheat, corn, or labor, rather than one worth ninety cents in the same commodities. Why not then, I ask, give the people the more valuable coin, so long as it would cost neither the Government nor the individual any more than the cheap one? I believe the restoring of the legal-tender power to the silver dollar would increase its bullion value, as such coin could be used for paying customs duties and all debts, public or private, the same as gold, and for that reason a limited number of the dollars of 412½ grains could, as I said before, be easily converted into gold or greenbacks, but the number of such dollars which can be coined and kept equal in value to our present legal-tender money no one can tell, except by an actual test. I, myself, can see no objection to leaving this question of limitation to the good judgment of the Secretary of the Treasury, and then such coinage could be had as the necessities and welfare of the people demand it. Mr. Speaker, I voted against the so-called Bland bill for the reasons already given, and I shall at all times oppose its becoming a law, unless the same shall be materially amended by striking out the obnoxious features which I have mentioned.

But, sir, I voted for the so-called "Matthews resolution" because the same simply affirmed a legal principle or proposition and one which I have not seen or heard successfully controverted by any person who has discussed the question. By voting affirmatively that the Government has the power or the legal right to pay the interest or the principal of our funded debt in the silver dollar of 412½ grains, I by no means committed myself to its expediency, unless we can make such silver

coin equal in value to that of the gold dollar. I do not deem it expedient to force on our own people a cheap currency, to their great detriment, merely because we have the legal right to pay the Government's indebtedness in the same currency. I am now, and at all times shall be, in favor of maintaining the credit of the nation. The necessity of so doing cannot be overestimated, and, sir, we can maintain it by paying our public debt in either silver or gold if we make the silver dollars in such quantities or of such weight as will make them interchangeable with each other. The coinage of two, three, or four hundred millions of the silver dollar of 412½ grains, even with a legal-tender quality, must inevitably decrease its currency value to nearly that of its bullion value, and result in driving our entire gold coin from the country. In our legislation upon a question of such importance we should act not for the sole purpose of giving temporary relief to the people at the present time but should also have in view that which shall be for their lasting and permanent benefit.

Mr. ALDRICH. Mr. Speaker, the gentleman from New York [Mr. CHITTENDEN] has seen fit to attack the people of my city, and if he is satisfied with his success in his effort to annoy them I am. My reply shall be only in a few plain words of truth and soberness.

I desire here to acknowledge with humbleness of soul and with most profound gratitude to the noble men and women all over the land for their munificent and timely benefactions to Chicago in the time of her dire distress while suffering from her unparalleled calamity; but I beg to assure the gentleman that we did not suppose that in accepting such bounty we had thereby sold our principles for all future time or for any time.

Mr. Speaker, it is my good fortune to represent in part upon this floor a community second to none in intelligence, thrift, and enterprise. Its growth in numbers and commercial importance is unrivaled in the history of the country. This community, in common with almost every other in the land, has become sensitive upon the subject of finance, and its views of what is just, wise, and expedient to be done in the present financial embarrassment of the country are decided and emphatic. Upon this subject my own views are, in the main, in accord with the views of a large majority, as I believe, of the community I have the honor so to represent.

It is not my purpose at this time to argue the question of the remonetization of silver to any extent, but briefly to express my own views in connection with the presentation of the proceedings of a public meeting recently held in Chicago without distinction of party. The call for this very large meeting was signed by some twenty-six hundred individuals and business firms, more fully representing the intelligence, enterprise, property, and moral worth of the community than could happen upon any subject that had not taken full possession of the consciences and judgment of our business men. The meeting was not composed of the politicians or the drones, but of the active workers and producers of the community.

A very large portion of the people there as elsewhere demand that the legislation of 1873 and 1874 demonetizing silver in fact shall be undone, and that silver shall be restored to its time-honored place in the finances of the country.

Whether this legislation was accomplished with a full understanding of those who cast their votes for it or not is an immaterial question now. One fact, however, is certain and material, that the people, who make and unmake Congresses, and for the protection of whose rights Congress exists, did not know nor understand what was being attempted to be done, and that from the hour the nature of this legislation was discovered they have demanded almost as with one voice in a large portion of our land that the step should be retraced.

The legal effect of every general contract, public and private, made prior to the legislation of 1873-74, whereby the silver dollar was dropped from the coinage and its legal-tender character denied, was that the debtor should pay in gold coin, silver coin, or United States legal-tender notes, at the election of the debtor. The validity and obligation of a contract are determined by the law when and where made, and are as essentially a part of the contract as though written therein.

It is against right and against morals by legislation to impair the obligation of a contract after it is made, and it is not less against right and morals by legislation to increase the burdens or obligations of a contract after it is made.

In short, it is equally an offense against law and against morals to wrong a debtor as to wrong a creditor.

The election of the debtor in what money he will pay (when more than one kind or species exist) is an unquestioned, substantial right, and by force to withdraw or abridge that right of election is to impose upon the debtor the performance of a contract which he never made.

While silver stood as a part of the legal-tender coin of the country the debtor and creditor met upon an even footing; each took and understood they took all the accidents which might affect the commodity value of the metals or either of them. The debtor could not pay in some commodity if money should become too scarce, nor could the creditor refuse payment in any money lawful within the terms of the contract. The creditor knew that he was to accept performance or payment in the money least burdensome to his debtor.

Whether this right of election attempted to be taken away by legislation of 1873-74 was of any substantial value to the debtor is best shown by those who clamor for the retention of the legislation of 1873-74, that the silver dollar of 412½ grains would only be worth

ninety-two cents in gold. The truth of this clamor I do not concede; when this legislation shall be undone and the dollar of 412½ grains restored to its full legal-tender character, then and not till then shall we know the difference (if any) between the gold and the silver dollars as money. We know now the difference between the commodity-value of the 412½ grains of silver and the money value of the gold dollar. With silver remonetized and gold demonetized (and we have as much right to demonetize one as the other) and reduced simply to a commodity, possibly, probably we should see a still wider but exactly reversed margin between the legal-tender silver dollars and the commodity value of the quantity of gold now pronounced a legal-tender dollar. Let this wrongful legislation be undone, gold and silver restored to their joint rightful and constitutional position in the finances of the country, and then if they require legislative action to adjust their relative value, it can be done understandingly, and with at least the knowledge of those to be affected by the action. It may be said that to undo this legislation and restore the legal-tender character of silver coin would be an injustice, yea, an impairment of the obligation of contracts entered into since the legislation of 1873 and 1874.

My reply to this is that gold and silver are the recognized money of the Constitution; that nothing short of an amendment of the Constitution can deprive either metal of its character as money. Congress has the sole power to coin them as money and regulate their value, but no power to prohibit the use of either or both metals as money, or to prohibit the coinage of either or both. The States are prohibited from making anything but gold and silver coin a legal tender for debts, and upon Congress alone is conferred the right and imposed the duty of furnishing to the States and to the people this gold and silver coin in which debts may be paid.

My judgment is that the legislation of 1873 and 1874, whereby it was sought to deprive silver of its legal-tender character and to withdraw it as a part of the money of the country, was not within the constitutional power of Congress, and was morally and legally ineffectual as stamping any character upon contracts.

Believing fully in the policy of remonetizing silver and placing it in every respect upon an equal footing with gold as a part of the metallic money of the United States, and not caring to further argue the propriety or expediency thereof, I will now send up to the Clerk's desk to be read as a part of my remarks the very explicit and carefully drawn resolutions adopted by the immense meeting at Chicago.

The Clerk read as follows:

Whereas by act of Congress of April 2, 1792, provision was made for the coinage of a silver dollar of the value of the Spanish milled dollar then current, containing 371½ grains of pure silver, to be the monetary unit of the United States; and although the standard weight of the said dollar, which was originally 416 grains, including the alloy, was in 1837 reduced to 412½ grains, yet the quantity of pure silver which it contained and its intrinsic value remained unchanged for a period of more than eighty years, during all of which time the silver dollar so coined continued to be the monetary unit and standard measure of values for the United States; and

Whereas silver and gold concurrently have constituted the basis of the monetary systems of all nations and peoples since the earliest period in the history of civilized man; and

Whereas silver coin has always constituted the chief and frequently the only metallic legal-tender currency in general use among the masses of the American people; and

Whereas the business and credits of the whole country during almost the entire period of the national existence has been adjusted to this standard measure of values; Therefore,

Resolved, That the demonetization of the silver coinage of the United States was a change in our monetary system so grave and radical in its character, and so vitally affecting the commercial interests and rights of the people, especially those of the debtor class, that it ought not to have been ventured upon, even under circumstances most favorable, until after a full, thorough, and exhaustive discussion of its merits before the people; and the covert scheme by which this most important measure was precipitated upon the country, without one word of discussion either in Congress or out of it, and the obstinate persistence with which the scheme is still prosecuted, in a time of unparalleled business prostration and disaster, and with the forced resumption of specie payments in immediate prospect, discloses a reckless disregard for the public welfare on the part of its movers which merits our severest censure and condemnation.

Resolved, That we have the best of reasons for believing that the demonetization of the silver dollar was accomplished through concealment and deception, fraud and crime; that in all probability not one man in this vast assemblage of citizens had the slightest intimation that such a measure was pending in Congress until many months after its passage, and whether our Representatives who voted for the bill and the President who approved it were deceived or not, the people unquestionably were, and we therefore demand its immediate and unqualified repeal.

Resolved, That one obvious purpose of the act demonetizing silver was to increase the value of the Government bonds, and correspondingly increase the public burden by securing the payment of those bonds in gold, when, by their terms plainly expressed on their face, they are "redeemable * * * in coin of the standard value of the United States on July 14, 1870," at which date silver dollars as well as gold dollars were lawful tender in payment of all debts, public and private; that in order to secure to the bondholders this advantage, to which they are now entitled, the people have been clandestinely robbed of the legal-tender quality of one-half their metallic currency, thereby greatly enhancing the difficulty and the danger of the proposed resumption of specie payments, and unjustly increasing the burden of every individual debtor in the nation as well as that of the nation at large.

Resolved, That while we have full confidence in the integrity and patriotism of the President, and his earnest desire to fulfill the duties of his high office and promote the welfare of the nation, yet we view with just alarm the position taken by him on this question in his late message; and we have good reason to believe that his judgment has been warped and misguided by the bad counsels of his constitutional advisers in the adoption of a line of policy which would give the bondholders an undue and unjust advantage, greatly to the detriment of the people. We have searched in vain through his message for any word of true comfort for the struggling masses by whose labor the money must be earned to pay these bonds. We regard his suggestion that by yielding to the demands of the public creditors these bonds may be exchanged for others at reduced interest as a delusion. There are two parties interested in this question, those who are to pay as well as those who

are to receive payment. We demand that justice, simple justice, be done to both by restoring the old time-honored standard measure of values. The burdens of government will then rest lightly upon the shoulders of a prosperous people; but we see no hope of returning prosperity in the financial policy of the President and his maladvisers.

Resolved, That the holders of the Government bonds not only have no right, legal or equitable, to demand payment otherwise than according to their express terms, but the Government cannot with due regard to the rights of the people waive its option to pay in silver or gold, and restrict itself to payment in gold only; and that when the attempt to do this is made by legislating out of existence the whole silver coinage of the country as legal tender, and at the same time depressing the value of one of its most important products in the markets of the world, the consequences of this nefarious scheme are so far-reaching and disastrous that it calls for unmeasured denunciation.

Resolved, That the proposal to pay the bondholders exclusively in gold, which their bonds do not call for, and at the same time to demonetize silver so far as to make it legal tender to some small amount for all other kinds of indebtedness, would be partial class legislation of the very worst description. We emphatically reject all such compromises. The money that is good enough for the people is good enough for the bondholders. We demand that the silver dollar be restored to its full legal-tender quality in the payment of all debts, both public and private, and we will be satisfied with nothing short of this; and we pledge ourselves to vote for no man for Congress who is not fully committed in favor of this measure.

Resolved, That we will resist the consummation of this wrong by all honorable means within our power. We call upon both Houses of Congress to insist upon the repeal of the demonetizing act and the restoration of the silver dollar to its rightful place in our currency; and, if the President shall by the use of his negation succeed in defeating the bill, then we call on Congress to append a similar repealing clause to the general appropriation bill, and stand by it to the last, with full confidence that the people will assuredly stand by them.

Resolved, That we recommend to our fellow-citizens throughout the country who agree with us in sentiment, that they convene in mass meetings and take prompt action on this question, and thus convince the powers that be, in Washington, that the people are terribly in earnest, that the exigency admits of no delay and no compromise, and that nothing short of absolute and unconditional surrender to their just demands will be accepted.

SAMUEL H. KERFOOT,
JOHN FORSYTHE,
Secretaries.

C. B. LAWRENCE, *Chairman.*

Mr. ALDRICH. In conclusion, I call attention to an extract delivered in the United States Senate some nine years ago by a gentleman then a distinguished Senator, and now occupying a most honorable position in the Cabinet of the President. I think this extract has been referred to before by some gentleman on this floor, but it will do no harm to repeat it—wise words, fitly spoken:

Since the earliest records of humanity, gold and silver have been employed as the equivalent for effecting exchanges. From Solon to our day, innumerable attempts have been made to substitute something else as money, but in spite of all, gold and silver have maintained their exclusive dominion as the money of mankind. The gold in the shield of Achilles, the shekels that bought the field at Macphelah, the pieces of silver, the price of the blood of our Saviour, will be current coin when the completed history of nations now rising into greatness will be folded away among the records of time.

Mr. HARRISON. Mr. Speaker, I find that my distinguished friend from New York, [Mr. CHITTENDEN,] the gentleman to whom the United States Government owes \$10 and who has been so long striving to obtain payment, the gentleman who mounted the desk not long since and showed the identical promise of the Government to pay him his debt, has thought fit in his speech to attack my city. He informed me yesterday that he intended to make a speech and to say something about my beautiful town. He asked me to be present and listen to him. I told him that I would, provided he would allow me to interrupt him. He insisted that he was a nervous gentleman and asked that I would not do so. As I am never much interested in speeches made for the RECORD, I preferred to read his speech after it should be published.

I now say to the gentleman, if he is here, that while my people answer for themselves, and while they acknowledge the generosity of the world extended to them when they were in ashes, yet they do not feel that the rich men of New York who helped them in the hour of their need should now keep them from rising Phoenix-like from those ashes in which they were laid. I say to the gentleman that I will read his speech, and if there is anything in it that requires

answer I will avail myself of the kindness of the House for that purpose at another time. I, however, make it a rule never if possible to speak for my constituents alone.

Mr. GIDDINGS. Mr. Speaker, I propose to state as briefly as possible some of the reasons which influence me in supporting the bill to remonetize silver and also that for the repeal of the resumption act; being so intimately connected they may properly be considered together.

Gold and silver by common consent of mankind have been recognized from the earliest period of which history furnishes any account and are still the measure of values, tested by their own intrinsic worth, the world over; and it is only in times of great emergency and overwhelming necessity that resort has been had to different measures of value. Financial distress and general bankruptcy have ever followed any departure from the world's standard, gold and silver. Alike they are the money of the Constitution of the United States, by the terms of which it is made the imperative duty of Congress to coin.

Article 1, section 8, of the Constitution of the United States provides that Congress shall have power "to coin money and regulate the value thereof and of foreign coin, and to fix the standard of weights and measures;" and section 10 of the same article denies all such power to the States, thus devolving upon Congress the exclusive power of coining or creating money for the people. Without the action of Congress not one dollar can exist in the United States. Here and nowhere else resides the power to create what is called money and to regulate its quality. The power being vested in Congress, the duty to exercise it becomes as imperative upon Congress to coin both gold and silver as it is to coin either. If Congress can refuse to coin one of the metals it can refuse to coin both, and leave the people and the States with no money or commodity which can be by the States made a legal tender in payment of debts.

Where is the warrant of authority for refusing to exercise this expressly delegated power or to place any limitation upon the quantity to be coined. The power to regulate its quality or value is clearly expressed; but nowhere can be found the power to limit the amount or quantity of either of the metals fixed by the Constitution as the commodities out of which Congress is required to create money for the use of the people and which alone the States are permitted to declare a legal tender in payment of debts. If Congress may legally destroy one of these metals, it can destroy both. If Congress may legally refuse to coin one, it may refuse to coin both.

But why should Congress refuse to coin silver, and why place a limit upon its debt-paying power? May not a State make silver in any amount, as well as gold, a legal tender in payment of debts? The prohibition in section 10, article 1, of the Constitution, by which no State can make anything but gold and silver a legal tender in payment of debts, carries with it the power to make gold and silver of the standard fixed by Congress a legal tender to any amount. When Congress, in the exercise of the powers conferred, coins gold and silver and fixes its value, its duty in this regard is discharged and the power to determine in what amounts either shall be a legal tender resides with the States. No such power has been conferred upon Congress or any Department of the General Government.

History demonstrates the wisdom of our ancestors in selecting gold and silver as a basis of money. The cost of their production is and ever has been about equal to their value, and the production of either or both has no more than kept pace with the demands for their use as money and in the arts.

Wayland (Elements of Political Economy) says:

In order to render any substance available as a circulating medium the essential quality required is that it is universally desired as such.

The following table, showing the distribution of gold and silver and the nations that use the double and single standard, will be found sufficiently accurate:

The coinage of the world.

Nations under gold alone.		Nations under silver alone.		Nations under gold and silver.	
	Population.		Population.		Population.
Great Britain.....	32,000,000	Russia.....	87,000,000	Belgium.....	5,100,000
Canada.....	4,000,000	Austria.....	36,000,000	Bolivia.....	1,800,000
Australia.....	2,000,000	Central America.....	2,900,000	France.....	36,100,000
Portugal.....	4,250,000	Ecuador.....	1,300,000	Greece.....	1,500,000
Turkey in Europe and Asia.....	29,500,000	China.....	425,000,000	Italy.....	26,800,000
Persia.....	5,000,000	India.....	300,000,000	Spain.....	16,500,000
Brazil.....	10,000,000	Mexico.....	9,000,000	Switzerland.....	2,700,000
Argentine Republic.....	1,800,000	Peru.....	4,500,000	United States.....	42,000,000
Egypt.....	8,000,000	United States of Colombia.....	2,700,000		
German Empire.....	41,000,000	Tripoli.....	1,200,000		
Sweden.....	4,250,000	Tunis.....	2,000,000		
Denmark.....	1,800,000	Holland.....	3,700,000		
Norway.....	1,750,000	Venezuela.....	1,400,000		
Chili.....	2,100,000				
Japan.....	33,000,000				
Total.....	180,450,000		876,700,000		132,500,000

From which it will be seen that a very large proportion of the population of the world use silver alone, and nearly as many use both as use gold alone. So, if universality of use proves anything, it is in favor of silver rather than gold. But the Constitution clearly fixes

the double standard and it is the imperative duty of Congress to provide for the coinage of both gold and silver upon the same basis, without limitations or restrictions upon either, and to regulate the value of each and to make them conform as nearly as possible, so

that their purchasing power may be as nearly equal as practicable. But why should silver be demonetized and driven from its position by the side of gold, which it has occupied so long and so satisfactorily? Has its production increased so as to render it unfit for money? There are \$40,000,000 more of gold mined yearly than of silver. The following table shows the annual production of silver and its increase in the United States:

1859.....	\$100,000
1860.....	150,000
1861.....	2,000,000
1862.....	4,500,000
1863.....	8,400,000
1864-'69, (average).....	11,625,000
1870.....	16,000,000
1871.....	23,000,000
1872.....	28,000,000
1873.....	35,750,000
1874.....	32,000,000
1875.....	32,000,000

Estimating the yield of 1876 and 1877 the same as 1875, we find that the yield of our mines, since they began to pay for working, amounts to the sum of \$250,000,000, less than one-half of our present volume of currency. The increase of \$12,000,000 from 1870 to 1872 caused the alarm of those interested in making and keeping money scarce, which resulted in the act of 1873, whereby silver was destroyed as money. It will not do to say that the country was flooded with silver, that there was no demand for silver; for, in addition to the demands of our own people, there was a demand for it abroad, and provision was made for the coinage of the trade-dollar for the accommodation of our foreign trade; and the Secretary of the Treasury says in his report:

This provision was made at a time when such a dollar was worth in the markets 102.12 in gold, and was designed for the use of trade in China where silver was the only standard.

Then it was not because of increased production, not because it had ceased to be generally used, not because it had become unworthy of the position it had occupied by the side of gold for over eighty years of our national existence, that it was dishonored and dethroned. Some other cause must be found. And what is it? It is the natural conflict between those interested in making money scarce, and thereby increasing the purchasing power of that which they have in abundance, and of those interested in having money abundant and cheap. It is no new issue. It dates back as far as the first loan of money for income between retired capital and labor, between those who are laboring to acquire and those wishing to render more valuable that which they have already acquired.

There can be no question that the destruction of one-half of the money in the country doubles the value of the remaining half. A party in debt would be compelled to sell twice as much property in order to pay his debts. How often do we hear it said, if the South would raise one-half the quantity of cotton it would bring the same amount of money. This, though not strictly true, illustrates the point. It is upon the hypothesis that each pound would bring as much as two pounds with full crop. So with the bondholding or creditor class: a destruction of one-half of the money increases the value of their securities. The same amount of money will buy double the amount of property, but will not pay double the debt. Its debt-paying power is not increased—double the amount of property or labor must be sold in order to pay the debt.

The legislation of Congress for the past fifteen years has been in the interest of the creditor class, encouraging investments in interest-bearing, non-taxable securities rather than the development of the resources of the country, and its blighting influences are seen upon every hand: our commerce driven from the sea, and with abundant crops, destitution, want, and financial distress in every part of the land. No people on earth are so overwhelmed with debt as the American people, and if we would legislate for the greatest good to the greatest number we must consider the circumstances and the facts as they exist. A line of policy that would suit England, the great creditor nation of the world, holding as she does the securities of every other nation and people, will not suit us. She may well afford to demonetize silver and destroy one-half of the money of the world, for she thereby doubles the value of the securities she holds; while we as a nation and a people are in debt and interested in having money cheap and abundant, so that labor and property will command a fair equivalent in the exchange of the one for the other, and in discharging our obligations in the same kind, standard, and quality existing at the time the contract was made.

"But," say the opponents of the remonetization of silver, "the silver dollar you propose, 412½ grains, is worth but ninety-two cents. You repudiate eight cents upon each one hundred of your indebtedness. Make it equal to gold. You are destroying the credit of the nation. You are acting in bad faith with the parties who hold our securities. You will increase the rate of interest and destroy confidence."

As well might the debtor say: "Reduce the gold standard down to the present market value of silver; gold has become inflated by reason of the demonetization of silver, which became a commodity, thereby silver has shrunk less in value under the contraction than any other commodity." We propose to keep the contract as made in letter and spirit. Four hundred and twelve and a half grains was the standard of silver at the time the pledge of the Government was obtained to

pay its bonds in coin, though originally payable in currency, and when demonetized was worth 102.12 in gold. Its destruction as money is the prime cause of the difference in value now. No other cause exists. Restore it as money upon the same plane as gold, relieved from all limitations as to coinage and debt-paying power, and there is every reason to believe the relative values will adjust themselves upon about the same basis held under similar circumstances before silver was dishonored. If after a fair trial any considerable difference should be found they may be adjusted and brought and kept as nearly together as possible, so that every kind of currency, whether of gold, silver, or paper, the representative of both, shall be of equal value; that whatever bears the Government's stamp shall carry with it the immutable pledge of the Government and be receivable by Government and people alike for all dues public and private. But let us see what the contract between the Government and its creditors is and who it is that refuses to comply with its provisions. The acts authorizing the issuance of bonds may be briefly stated as follows:

The Secretary of the Treasury is empowered to issue, to a certain amount, coupon or registered bonds of the United States in sums of \$50 or multiples thereof, bearing specified rates of interest, and "redeemable in coin of the present standard value," (1870,) and bearing interest in such coin, payable semi-annually, and redeemable after certain dates, at the pleasure of the United States. The 5.20 bonds issued under the act of February, 1862, are payable "in dollars," the customs duties providing for the interest to be collected "in coin." The act of 1863 makes the bonds issued under its authority payable, principal and interest, "in coin." The Revised Statutes of 1874 declare that they may be paid in either gold or silver coin. The standard legal-tender coin referred to in these acts consists of silver dollars of 412½ grains standard metal and gold dollars of 25.8 grains same standard.

Here, then, is the contract to pay in gold and silver coin of the United States, and it is the right of the debtor to pay in either that suits his convenience and interests best, and here is the indorsement upon the bond which is direct notice to the holder, in addition to the law under which they were issued, of which he is bound to take notice:

This bond is issued in accordance with the provisions of the act of Congress, 14th July, 1870, and is redeemable at the pleasure of the United States after the 1st September, 1891, in coin of the standard value of the United States on said 14th July, 1870.

This language admits of no doubt that a certain number of gold dollars or a certain number of silver dollars of the then standard of the United States is agreed to be returned to the holder in full satisfaction for what was received by the United States at the time she parted with the bond. The act of 1869 is so explicit on this point as specially to recognize gold or silver as the species of coin or money embraced in former acts. This was an act for the purpose of removing any doubt or difficulties either in the mind of the bondholder or the public as to how the bonds were to be paid. And this, too, in the face of the fact that the Government had parted with them at from 40 to 60 per cent in gold. Upon whom rests the charge of bad faith? Upon those who favor the remonetization of silver of the standard it was when the pledge was obtained, or upon those who have obtained a pledge to pay them in exact accordance with the terms of the contract in gold or silver at its face value which cost them from forty to sixty cents on the dollar, and which has been rendered doubly valuable by the destruction of one-half of the debt-paying power of the people?

If the fulfillment of a contract in letter and in spirit will have the effect of destroying the credit of the party that proposes thus to comply then the whole order of things, cause and effect, has been reversed. It can have no such effect. No holder of a bond but knew the scope and effect of the law under which the bond was issued. He is bound to know the law, and his interest would prompt him to do so, and he by the indorsement upon the back of the bond had actual as well as constructive notice and is bound by it, and has no right to complain and will suffer no loss.

It may be interesting to briefly review this anomalous legislation by which one-half of the medium of exchange and measure of values was destroyed and the remaining measure thereby inflated so as to cover all values.

On the 27th day of May, 1873, Congress having agreed to adjourn on the 29th, and within less than forty-eight hours of adjournment, and in the hurry and confusion always preceding adjournment, and during which time it is in order to suspend the rules, Mr. Hooper called up the bill reported by the Committee on Coinage, Weights, and Measures, and offered a substitute. He said:

I desire to call up House bill No. 1427. I do so for the purpose of offering an amendment to the bill in the nature of a substitute, one which has been carefully prepared, and which I have submitted to the different gentlemen who have taken a special interest in the bill. * * * I move that the rules be suspended and the substitute put on its passage.

Objection was made. Mr. Hooper said it was not necessary that the bill should be read, that it had been carefully examined by those desiring to examine its provisions. The House refused to allow the bill to pass in that way. He afterwards called it up and moved to suspend the rules and pass the substitute.

Mr. Holman put the following question to Mr. Hooper:

Mr. HOLMAN. Before the question is taken upon suspending the rules and passing the bill, I hope the gentleman from Massachusetts will explain the leading

changes made by this bill in the existing law, especially in reference to the coinage. It would seem that all the small coinage of the country is intended to be recoined.

And received the following reply:

Mr. HOOPER. This bill makes no changes in the existing law in that regard. It does not require the recoinage of the small coins.

The answer satisfied Mr. Holman and the House and the bill passed, and it is fair to presume that not a dozen members of the House, and those only seeking an advantage in favor of the retired capitalists, knew anything of its provisions. Mr. GARFIELD, then and now a leading member of the republican side of the House, in a discussion with Mr. Pendleton last fall, said:

Perhaps I ought to be ashamed to say so, but it is the truth to say that, I at that time [passage of the regulations demonetizing silver] being chairman of the Committee on Appropriations, and having my hands overfull during all that time with work, I never read the bill. I took it upon the faith of a prominent democrat and a prominent republican, and I do not know that I voted at all. There was no call of the yeas and nays, and nobody opposed that bill that I know of. It was put through as dozens of bills are, as my friend and I know, in Congress, on the faith of the report of the chairman of the committee; therefore I tell you, because it is the truth, that I have no knowledge about it.

The President of the United States, although he had signed the bill, for many months after did not know that such a bill had passed, as appears from a letter written on the 3d of October, 1873, to Mr. Cowdry, in which he used the following language:

I wonder that silver is not already coming into the market to supply the deficiency in the circulating medium. Experience has proved that it takes about \$40,000,000 of fractional currency to make the small change necessary for the transaction of the business of the country. Silver will gradually take the place of this currency, and, further, will become the standard of value, which will be hoarded in a small way. I estimate that this will consume from \$200,000,000 to \$300,000,000 in time of this species of our circulating medium. I confess to a desire to see a limited hoarding of money. But I want to see a hoarding of something that is a standard of value the world over. Silver is this.

Our mines are now producing almost unlimited amounts of silver, and it is becoming a question, "What shall we do with it?" I suggest here a solution which will answer for some years, to put it in circulation, keeping it there until it is fixed, and then we will find other markets.

And when it reached the Senate the course adopted in that body was quite as mysterious.

Hon. John Sherman, chairman of the Committee on Finance, announced that the bill substantially had passed the Senate of the Forty-first Congress; that it was not worth while to read it. See Congressional Globe, page 203, part 1, where he is recorded as follows:

Mr. SHERMAN. I am directed by the Committee on Finance, to whom was referred the bill (H. R. No. 2934) revising and amending the laws relative to the mints and assay offices and coinage of the United States, to report it back with two or three amendments. This bill has in substance passed both Houses, except that the Senate bill enlarged and increased the salaries of officers of the Mint. It was passed by the Senate at the last session of the last Congress, went to the House, and now, somewhat modified, has passed the House at this Congress, so that the bill has practically passed both Houses of Congress. The Senate Committee on Finance propose the modification of only a single section; but as this is not the same Congress that passed the bill in the Senate, I suppose it will have to go through the form of a full reading, unless the Senate are willing to take it on the statement of the committee, the Senate having already debated it at length and passed it. It would have to be read in full unless the Senate by unanimous consent allow it to pass without a formal reading.

It, however, was objected to and was laid over and came up again for debate. (See page 672, part 1, Congressional Globe.) But nowhere was anything said about demonetizing silver. Mr. Sherman said:

I rise for the purpose of moving that the Senate proceed to the consideration of the Mint bill. I will state that this bill will not probably consume any more time than the time consumed in reading it. It passed the Senate two years ago after full debate. It was taken up again in the House during the present Congress and passed there. It is a matter of vital interest to the Government, and I am informed by officers of the Government it is important it should pass promptly. The amendments reported by the Committee on Finance present the points of difference between the two Houses, and they can go to a committee of conference without having a controversy here in the Senate about them.

The following provision was stricken out:

That the silver coins of the United States shall be a dollar, a half dollar or fifty-cent piece, a quarter dollar or twenty-five cent piece, and a dime or ten-cent piece; and the weight of the dollar shall be 384 grains; the half dollar, quarter dollar, and the dime shall be, respectively, one-half, one-quarter, and one-tenth of the weight of said dollar; which coins shall be a legal tender, at their nominal value, for any amount not exceeding \$5 in any one payment—

And the following inserted:

That the silver coins of the United States shall be a trade-dollar, a half dollar or fifty-cent piece, a quarter dollar or twenty-five-cent piece; and the weight of the trade-dollar shall be 420 grains troy; the weight of the half dollar shall be 12 grams and one-half of a gram; the quarter dollar and the dime shall be, respectively, one-half and one-fifth of the weight of said half dollar; and said coins shall be a legal tender, at their nominal value, for any amount not exceeding \$5 in any one payment.

You can form some idea of the manner in which the silver dollar was stricken from our coinage and its debt-paying qualities destroyed.

The next step in the programme was accomplished in the revision of the laws, and all who were then members will recollect, and the record will show, that every assurance was given by those in charge of that work that no change was or should be made by them in existing laws. General BUTLER, when the work of the committee was before the House, used the following language:

I desire to premise here that your committee felt it their bounden duty not to allow, so far as they could ascertain, any change of the law. This embodies the law as it is. The temptation, of course, was very great, where a law seemed to be imperfect, to perfect it by the alteration of words or phrases, or to make some change. But that temptation has, so far as I know and believe, been resisted. We

have not attempted to change the law, in a single word or letter, so as to make a different reading or different sense. All that has been done is to strike out the obsolete parts and to condense and consolidate and bring together statutes *in part materia*; so that you have here, except in so far as it is human to err, the laws of the United States under which we now live. And it will be necessary, if the bill passes Congress, that it shall pass without any one undertaking to amend the law as it stands in this revision; because, once beginning to amend the revision by altering the law from what it is will lead into an interminable sea, in which we shall never find soundings and which will never find a shore. But if there be any omission of any provision of law, the theory of this revision is that that shall be supplied; and to that the committee desire to call the attention of the House.

And Mr. Poland, chairman of the committee, made the following reply:

As my friend from Massachusetts has said, the committee have endeavored to have this revision a perfect reflex of the existing national statutes. We felt aware that if anything was introduced by way of change into those statutes it would be impossible that the thing should ever be carried through the House. In the multitude of matters that come before Congress for consideration, if we undertake to perfect and amend the whole body of the national statutes there is an end of any expectation that the thing would ever be carried through either House of Congress, and therefore the committee have endeavored to eliminate from this everything that savors of change in the slightest degree of the existing statutes.

Thus was the work of destroying silver as money and tearing it from the position which it had held for eighty years in our national existence, side by side with gold, as a measure of values, accomplished. It was and is a fraud upon the debt-paying people and ought to be corrected without opposition and placed in the same position it held before.

The object of the silver bill is this and nothing more. Even if I were in favor of the single standard of gold I would vote to correct the fraud and restore the law as it was before the revision. But the increase of population, commerce, and the arts required both gold and silver. There is not sufficient gold to transact the business of the world. There never has been any currency or substitute for gold and silver that was not somewhere based on gold and silver that was worthy of the name of money for any length of time. What was continental money worth after the close of the revolutionary war? What are confederate treasury notes worth? What are the paper promises of Turkey worth to-day? The promises of governments never survive the governments that make them. Gold and silver, with the stamp of any government upon them, are worth just as much after the fall of the government that issued them as before. They survive all changes of government. The rise and fall of nations do not in the least affect their value, and experience has shown that safe and conservative banking will not permit of over 2½ of paper currency convertible into coin at the will of the holder to 1 of coin. The highest estimate made of the quantity of gold in the United States is \$180,000,000. This would float a paper currency of only \$450,000,000, an amount wholly inadequate.

With a population of forty-five millions scattered over so vast a territory we require at least \$30 *per capita*, which would give a circulation of \$1,350,000,000. To float the amount of currency necessary upon safe banking principles would require of gold (if we adhere to the single standard) \$540,000,000, with but \$180,000,000 now in the United States and with less than \$60,000,000 subject to the control of the Government.

England has a money circulation of \$28 *per capita*; France, \$44 *per capita*, and Germany, \$24 *per capita*. Under the contraction policy our circulation has been reduced since 1866, as shown by the report of the Comptroller of the Currency, (December 3, 1877.) There are now in circulation, or were at the date of his report, of national-bank notes, \$319,219,509; of greenbacks, \$51,340,288; of subsidiary coin, \$40,000,000, making our entire circulation \$710,559,797, an average of \$15.35 *per capita* for our population, a small fraction over one-third *per capita* in France, and but little more than half that of England and Germany; and if the resumption law is not repealed the legal-tenders must be reduced to \$300,000,000 and the national-bank notes in the same proportion by January 1, 1879, making a further reduction of \$100,000,000 of the present aggregate of circulation.

The public-debt statement of February 1, 1878, shows in the Treasury \$126,882,989.47, against which there are liabilities subject to present payment of \$60,193,465.52, which leaves \$66,689,523.95 coin.

It is worse than folly to attempt resumption upon the single standard, and any attempt must for the reasons before stated prove a failure. It is not in the power of the Government to accumulate a sufficient amount of gold in the Treasury before January, 1879, to redeem the greenbacks outstanding without absolute ruin to every industry of the country; and besides, when greenbacks are redeemed in gold the national-bank notes, which are redeemable in greenbacks, must themselves be redeemed in gold. Where is the gold to come from? Every nation desiring a fixed and stable currency will at all hazards hold a sufficient amount of gold to float a volume of currency necessary to transact its business. The demand created by an attempt on the part of the United States to accumulate such an amount of gold would as a matter of course enhance its value. All that this country has that will bring gold from Europe are the cotton and grain of the South and West. Gold being rendered scarce by this large demand, and the competition between governments to retain it, our products must sell for a very reduced price, and though the purchasing power of gold may be increased its debt-paying power is not, and the burden must fall upon the producing industries of the country.

A further shrinkage in values is the inevitable result of the contraction policy relied upon to bring about resumption. The destruc-

tion of one-half of the measure of values fixed by the Constitution by such means should not and will not be submitted to by the people for the sole aggrandizement of the retired capitalists and bondholders. One more turn of the thumb-screw by the money power will produce revolution and bloodshed. Our people are long-suffering and patient, but there is a point beyond which patience ceases to be a virtue, and that point has been reached.

The financial policy and legislation of this Government in the interest of money-changers must be reversed and a new order of things inaugurated, giving just and equal protection to capital and labor in the development of the resources of the country, and special privileges and exemption to none. What capitalist will hazard his money in developing mines, building railroads and ships, extending commerce, with all the anxiety, care, and attention necessary in the conduct of any great enterprise, with the risk of losing all, when he is offered the bonds of the Government yielding a certain rate of income with no probability of loss, relieved from all taxation, receiving the protection of the Government and contributing nothing toward its support, sharing no part of its burdens?

Under this contraction policy every inducement is held out to hoard money rather than to invest it. Money will enhance in value by lying idle in vaults more rapidly than by any sort of investment, while the shrinkage in values of property must continue so long as the volume in currency is being reduced. The only mode possible would be for the Government to sell interest-bearing bonds for gold with which to redeem the greenbacks, and the non-interest-bearing debt of the Government converted into interest-bearing, and the burdens of the people thereby increased at least fifteen millions annual gold interest; the national-bank monopoly strengthened, the value of property lessened, and, as a result, property concentrated in the hands of a few and the masses of the people bound hand and foot to the money power, and a serfdom more intolerant than that of Russia inaugurated here.

I favor the remonetization of silver—

First. Because I believe the Constitution of the United States makes it the imperative duty of Congress to coin both gold and silver upon the same basis, without limitation or restriction as to either, and to regulate the value thereof, and that the States have the right to declare the amount of the standard fixed by the United States which shall be a legal tender in payment of debts.

Second. Because the obligations of the Government are payable in gold or silver coin of the standard fixed by law at the time the contract was made.

Third. Because the best interests of the country require the broadest metallic base possible, with the use of both gold and silver, upon which to safely float a currency adequate to the business transactions of the country, and that the dollar of 41 $\frac{2}{3}$ grains, being the lawful standard at the time the contract was made, is just to all parties.

Fourth. Because the demonetization of silver was a fraud upon the people.

I favor the repeal of the resumption act because I believe it unwise to have fixed a day at which the Government would resume specie payments; that a policy should have been adopted which would have gradually led to a sound and stable currency, free from fluctuations; and because it is absolutely impossible for the Government, with the limited amount of gold at its command, to resume on the day named, and that the attempt to force resumption by means of contraction will be ruinous to the best interests of the country and must result in the concentration of property in the hands of the few, as was the case in England under a similar policy, and the masses of our people become the abject slaves of a moneyed aristocracy.

The remonetization of silver and its free coinage upon the same plane with gold, the repeal of the resumption act, and abandonment of the contraction policy will do much to relieve the present distressed condition of the country; but we should not expect too much. Relief will come slowly. The capacity of the mints is estimated at but \$50,000,000 per year. It will require time for the life-giving blood to permeate and reach the extremities; time will be required, with proper treatment, before health and strength can reinvigorate the system after the terrible depleting and exhausting malpractice of the past fifteen years. They are certainly steps in the right direction, but should be followed up by a complete and thorough reform in the tariff laws, by which every vestige of protection shall be eliminated and wisely and fairly adjusted upon a revenue basis; fostering enterprises of national importance, by which commerce shall be developed and an interchange of products and commodities made practicable; markets opened to them, so that we may sell for the best price possible all we have to sell, and buy in the cheapest market such things as we cannot produce cheaper than others, bringing back gold and silver to cover the differences in the exchange and by our enormous productions counterbalancing the outflow to meet the interest upon our debt in foreign hands; and by a speedy return to an honest and economical administration of the Government in all of its departments, the lessening of the burdens upon the people, the revival of the paralyzed industries of the country, which by the contraction policy and unjust and oppressive tariff laws are well-nigh destroyed. Then will general prosperity prevail through the whole country; and when, as a result, confidence shall be restored and the precious metals, in obedience to the immutable laws of trade, shall

come to us, as they surely will, in sufficient quantities to form a basis for a safe and sufficient volume of currency to transact the business of the country, resumption will come as certain as the day follows the night, and not in obedience to a statute fixing the day.

To be lasting, the condition of things I have indicated must exist; if forced in their absence, it cannot be permanent and lasting.

CAPITAL AND LABOR.

Mr. ELLSWORTH. Mr. Speaker, capital and labor should be friends. There is no interest in all the land but demands that capital and labor should be on the best of terms, should be truly friends. And yet there seems to be a determined effort made by a very strong influence here and out of here to antagonize these two great forces. This ought not to be, and cannot be with safety to our Government, with safety to our institutions.

Labor is the great source of wealth in this as in all other lands, and the man who seeks to make them enemies—labor and capital—is an enemy to both, and an enemy to the great interests of the country. He may not see what he is doing, but it is no less true that to array the one great force against the other is the surest way possible to injure both. What can labor do without the friendly aid of capital? And what can capital do without the helping hand of labor? What is the reason to-day that the cry of distress is heard in all the cities of our country? Why are men standing idle while their families are suffering? Simply for the reason that capital has fled the field of enterprise. Simply because the capitalist has withdrawn from the great enterprises of the nation. And how can he be induced to enter the arena of business again? How can he be led to bring forth his hidden treasures and launch them upon the great works of the country now standing still and silent? Can it be done by making war upon him? Who does not know enough to know that it cannot be done in that way? Who does not know enough to know that capital cannot be forced from the hands that own it? Who does not know enough to know that the man of means will not invest his money where he has no security it will be returned to him again with added interest?

It is as idle for labor to contest the grounds with capital as it would be to attempt to dam the Niagara with rushes. We are told on this floor that capital is the enemy of labor, and men, honorable men, here and in other places near us, have misused their eloquence and their wondrous powers to array these two great forces against each other. Strange spectacle in the American Congress and a strange use for men to make of their great abilities! Almost every measure sought to be carried through the American Congress is made capital of in this unholy work of arraying the vast army of laborers in our country against the very best friend the laborer can have, against the very help he needs, and must have or starve. How is this, and why is it done? Even the Paris exposition bill could not be allowed to pass without raising the cry of oppression of the laborer, and the eloquence of the democratic side of the House, with few notable exceptions, was brought to bear upon the question and the sufferings of the poor portrayed in glowing colors, and the crushing influence of the capitalist blazoned forth with all the force and eloquence of the most gifted and powerful orators on this floor. And why so, and wherefore? Not because they expected to defeat the passage of the bill methinks; not, methinks, because these orators desired to prevent the passage of the bill, but we are constrained to believe to make political capital for a coming political campaign. When we hear such men as the honorable and eminent gentleman from New York [Mr. COX] proclaim to his democratic friends that they must be on their guard or the republicans would steal their thunder, when addressing the House upon such a bill as the Paris exposition bill, then we conclude the object of his great effort was political capital and nothing else.

And almost in the same breath we were told by pretended friends of retrenchment and reform that the class legislation of the republican party caused the starvation of the poor laborer, and thereby caused the bloody and fearful riots of last summer, which startled the world, when the very men who worked such ruin and death to themselves and the people were receiving not less than \$1 per day; those who were receiving least; and yet it was claimed here they were in a state of starvation.

Now, I have said before in this place that that cry was utterly absurd and without a grain of reason to base it on. I said then that men could comfortably subsist on sixteen cents per day for food only, meaning in its uncooked state, and I have been condemned beyond here for so stating; and even republican prints, among my own friends, have sought to apologize for the statement and have kindly volunteered the apology that I went further than I intended to when uttering the words. And I take this opportunity to repeat it, and to declare to my friends that I was fully aware of the extent of my statement, and did intend every word I uttered as to the cheapness of living, and now add that thirteen cents per day will purchase in any market in the land food, in the uncooked state, that will comfortably subsist a man. And in proof of this I state the fact that our soldiers on our western border are subsisted this very day, by contract, at thirteen cents per day *per capita*. And the American soldier has all and more than he can consume; no soldiers in the world are so well subsisted as the American soldier.

It is not the real necessities that impoverish our people so much by far as the thousand and one luxuries that find their way upon the tables of our people and that add nothing to their real good or health. It is true that this very day in France the average cost of living, among the laboring population, for uncooked food, is not over nine cents per day each. I do not say these things because I am no friend to the poor man, for if there is a man on earth whose tender sympathies go out to the poor man, here and everywhere, now and at all times, it is I, for I know what it is to be poor; I know what it is to work for my bread. I know what it is to work for much less than \$1 per day, too, and yet live in comparative comfort. So I know exactly what I am talking about, and fear no contradiction. I do not say these things because I would make the burdens heavy. I would gladly, yes, most cheerfully, do anything in my power to add to their comforts, and even to their luxuries; most certainly I would; but I would not in furtherance of this end counsel them madly to take the law into their own hands, and trample upon the law of the land and the rights of their fellows. I do not advise them to set in motion the infuriated mob that knows no law, no order, no fear, and that becomes when once in motion the wild storm of destruction, that walketh in darkness and wasteth at noonday, blasting everything it touches, and leaving only blackened ruins behind and wasted and desolate cities. I do not advise them in my crazy zeal for the upbuilding of some political party to apply the torch to the capital of the nation, nor to madly make war upon the man of wealth. I see only ruin in such a course for the poor man. I do not advise the suffering thousands temporarily idle to murder the man that has the means to save them from want. I do not sound the cry "to arms," and thus set the howling, maddened, suffering throng surging through the streets of our cities, burning the property of innocent men and wasting in sweeping rivers of fire the very means they need to keep them from starvation and death.

Such is the work of the demagogue, who cares more for his party than he cares for his country. Such is the work of the man who cares more for political preferment than he cares for the best interests of the poor man. Such is the work of the man who cares more for a re-election to Congress than he cares for all the suffering thousands in our land or any other. Some of these very men who sound the woes of the laborers to-day had no sympathy for the brave soldiers of the Union when fighting the battles of freedom and dying on the red field of war to save the flag our fathers loved. Some of these men at such a time were loudest in condemnation of the greenback money. Such men then sang another song than the silvery one that charms us now. Then the poor man and the poor soldier listened in vain for words of comfort and hope from these men who now claim to be their especial champions, and the disguise is all too thin to dupe intelligent Americans. It will fail of accomplishing that which is sought. And I call upon the intelligent American citizen to think for himself and not be led astray and maddened by any such unholy cry. I call upon our people to remember who saved our country when wicked and misguided men sought its ruin. I call upon our laboring-men everywhere to remember who it was, when our country was in peril and in the throes of death, stood by the cause of freedom, however dark the night or fierce the storm of war, and never faltered for a moment in all the weary, bleeding years of strife. I call upon all true men to remember who supplied the greenback currency in face of the fierce and bitter opposition of the wild champions of that currency now! Then their denunciation of the greenback was without stint or limit. Now their fulsome praise of the same currency is sickening to contemplate, but then it was a measure of the republican party and the way of safety for the nation. Then it was the hope of the Union, the life of the nation, and the democracy condemned it everywhere and always.

Then our soldiers must be fed and clothed and paid or retire from the field, and the national exchequer was exhausted of precious metals. And yet the great democratic orator of Indiana was loudest of all in denunciation of the greenback then, but now it is a gem of beauty in his eyes. Now he worships at the greenback shrine and can never sing its praises loud enough. Consistency, thou art a jewel! If these fiery orators have the real interest of the poor man at heart, why do they not point them to the fact that there is sufficient money squandered on luxuries, follies, and vices by themselves every year in our land to support in comfort and happiness every son and daughter of the laboring population of our country? Why do they not tell them of the eight hundred millions of money squandered in this young Republic every year for liquors and tobacco alone? Why do they not tell them that at least two-thirds of that vast sum is paid by laboring-men and employes? Why do they not help them to see the folly and ruin of such waste of treasure, instead of firing their hearts against the men who by industry and careful living have saved their money and now, by that means, have money to loan to aid those less provident? Why do they not tell the laboring-men and all of our people that it is not the class legislation that has disturbed our finances and brought distress and want upon our people? Why do they not explain to them the folly of complaining of the times and of the scarcity of money when the money paid out in this country in the short space of three years for liquors and tobacco would liquidate our national debt and more? Why do they not explain to the laborer the suffering and want at this very hour in lands where no republican party was ever

known? Why do they not point them to China, where men, women, and children are starving to death daily by the score; to India, where they have been starving for years, and thousands have been barely living upon two and one-half cents per day?

It is strange that these startling facts in the history of the world are never mentioned. It is strange that they are not informed that there is no land upon which the sun shines to-day where the poor class are as comfortably situated as they are now and here—not one on the face of all the earth. And yet they are being taught that the prudent, the industrious, and wise man, who has shunned the follies and vices of life in a measure, and have husbanded their earnings until they have a competency and more, some to assist the great enterprises of the world, some to aid those less fortunate or less wise, are the enemies of the poor. And why is this? What reason for this condemnation of the man who saves his money and has the wisdom to gather and retain it while others cannot or will not? Do we not remember what moneyed men have done for us? Are we so destitute of gratitude as not to remember with the liveliest interest the remarkable patriotism of the bankers of New York and other cities who came to the rescue of the imperiled nation when the storm of war burst upon the country in its fury? Shall we ever forget? Will the great grand West ever cease to remember with the tenderest gratitude the stream of fifty millions of yellow gold the bankers of the now abused East poured into the treasury of the beleaguered capital when we were moneyless and the world was startled at the cry of war and foreign nations doubted the ability of the Union craft to outride the storm? And again in thirty days they poured in another fifty millions of precious gold—bright, yellow gold. And then again in thirty days another golden stream of fifty millions rolled into the lap of the nation, and our good President breathed freer and easier.

Who did this? The Shylocks of Wall street; the heartless money kings; the bloated bondholders; the miscreants that consume the earnings of the poor and produce nothing, as we are told on this floor. How wild and fanatical it sounds when the facts are stated. And the great West with its teeming millions are being educated to hate the men who came grandly to the front and risked the treasures they had been a life-time in accumulating; so that the young Republic should not die. And not only did many of them risk their all of earthly wealth, but bravely gave their lives to the great cause for which soldiers died or suffered more than death. And what have these men of money done to the West that they should hold them in such contempt? Have they ever done them aught but good? When the storm of flame swept the beautiful city of Chicago from the shore of its crystal sea; when Chicago, the magnificent city, the proud queen of the West, went out in flame and smoke and the civilized world was thrilled with the great calamity, who was first to bear the cry of distress that swept over the land and world? Who opened the iron doors of safes and vaults and hurried on the great sums of money, so much needed at such a time? What did the Shylocks of Wall street do in such an hour? What did the bondholders of good old New England do to dry the tears of the sadly afflicted thousands who were homeless and penniless, cowering along the shore of the great lake where so lately stood the beautiful city they loved in all its magnificence and glory, now a blackened, smoking waste? Did they not fly to the relief of their afflicted brothers and sisters of the West?

And when the aid came from a sympathizing world, and money and valuables flowed in one grand river into the wasted city until the disheartened people, who were so utterly despondent under the fearful blow, were encouraged to hope again, who supplied the money to rebuild the city? Whose money reared the magnificent blocks, the Grand Pacific and the Palmer, the finest hotels in the wide world? Whose money restored the great city to a more queenly beauty than it ever knew before the wild storm of fire had swept over it with its ravishing flame?

Ask the Chicagoans to-day and they will tell: the needed funds mainly came from the Shylocks of New England and New York. And yet they are the enemies of the West, are they? The millions of poor are to be fired against them, are they? What do you say, my peers? And these millions, North and South, are having their hearts fired against such men! And can it be that justice, that right, the eternal principle, a part of God, can justify such a course?

Nay, verily, justice and truth demand a departure from such advocacy!

And the poor man is being taught to believe that the demonetization of silver was an act of bad faith to him on the part of the republican party, and that it was simply a cruel fraud upon the labor of the country—the cry itself one of the baldest and cheapest frauds of the age ever yet advocated by any demagogue, high or low, republican or democrat.

Why do these men that would fire the poor man's heart against capital tell those they seek to enlighten that Thomas Jefferson, the great high priest of democracy, was the first man to demonetize silver, and that, too, when Chief Magistrate of the nation he honored and glorified?

Why do they not tell them that silver remained demonetized for thirty years from the time Jefferson stopped the coining of the silver dollar of the daddies?

Why do they not explain to their friends that the democratic party in 1853, when in its glory, again demonetized it? Why do they not

proclaim the fact to the world that all the legal-tender silver dollars of the daddies ever coined in this country, from the organization of the Federal Government, would not have paid the expenses of the nation for three days at one time during the great war of the rebellion? Why, Mr. Speaker, the truth is, and there can be no denial of the fact, that silver has never been the money of account in this country. Never; it has never been practically anything but subsidiary coin since about the year 1814. No man will claim it has who is in his senses.

Then why this cry of fraud upon the republican party for its demonetization in 1873 and 1874? To be sure we had gold and silver in the land until the boom of cannon sent it from our shores. We had till then gold and silver, but gold was the money of account and silver was used only for change, except in exceptional cases. Now, I am aware that many of my constituents, possibly a majority of them, are silver men, but I cannot help that; I would if I could. I respect their opinions always, but they cannot fashion mine. They are free men, and so am I and shall so remain.

And so for the fraudulent silver dollar, worth but ninety cents, I am not in favor of it, not even to secure a return to this House. I am not waiting to see what political success requires. Other men can do that if they choose; I will not. This country cannot afford to be other than truly and nobly honest with her creditors at home and her friends abroad, who have trusted in her integrity and her honor.

If we were a creditor nation it would not be a matter of such vast importance what became of our national credit and honor, but then it would be sad enough to lose it; but now, when we must have the confidence of the money powers of the world, as we are the great borrower and must be for years, we must, for the financial interest of our people, rich and poor alike, maintain the national honor our fathers left us, and then we can procure money in the money markets of the world at a low rate of interest. It is the same exactly with our nation as it is with an individual. The merchant who enters New York or Chicago or any of our great cities for the purchase of goods must have a good credit; he must be known as a man of honor and integrity, if he would buy on time and cheaply; but if he goes there with money to pay for all he buys it matters little about his character. We are poor and we are young; we have only half the wealth *per capita* that is found in France or England, and we are in debt to a vast amount compared with the individual wealth in those countries. France has over eighteen hundred millions more wealth among her people than we have, and they are able to take care of their national indebtedness at home largely, and nearly the same is the truth with England. France has a larger national debt than the United States, and so has England, by far; but it is taken care of and carried by French and British subjects; so it is really no injury to them, as the interest these governments pay is paid at home and does not drain the country of the gold and silver.

The case is reversed with us. Being young and poor and developing rapidly and making necessarily vast improvements that require the expenditure of large amounts of money, the unemployed treasure is not with our people with which to float our national debt, and therefore there is, there can be, no alternative but our money, our gold, must be sent abroad every year to pay the interest on our bonds held abroad. So every consideration in the way of political economy demands of us that we so conduct our national affairs as to reduce our interest to the lowest possible amount. How can this be done? Can it be done by discounting our national credit? Who does not know enough to know that the only way to accomplish the funding of our bonds at low rates of interest can only be done by making our national character for integrity above reproach and above suspicion.

There is but one honest way, there is but one manly way, there is but one truly noble way for us, and that is to pay our debts with the only money we have treated as money of account for sixty years at least, and ever since we came to be one of the great powers of the world, and in fact before that time, for we were hardly such in 1812 and 1814, although we did send the British lion flying over the sea soon after silver was first dishonored. We must do right though the heavens fall. That is the only way for a great nation to do just entering upon its career. It is all folly about expecting to obtain gold enough to pay our debts in full before resuming; there is no such necessity upon us. There is no nation on earth that could do that. There is not gold and silver coin enough in the world to pay the debts of England and France. What we need to resume is a reasonable amount of the best standard of value in the world—say \$200,000,000; and then our Government properly administered and our great interests properly protected and we are safe, and then we will have an honest dollar for the rich man and the poor man; they will stand on the same level, stand as equals.

There are a few things our country needs just now for the benefit of all classes and all sections of our land alike.

And first and most important of all we need to have good-will and harmony prevail within all our borders. The disturbed condition of our country is a very great hindrance to the revival of business. No man who is not asleep can doubt it. The money nerve is a very sensitive one. Money does not flow out from its safe retreat, when once hidden away, unless it sees safety before it. Moneyed men do not ordinarily launch their treasures out on a stormy sea when the same are safely stored in a quiet harbor. And while the cry of war is reverberating through the land against the bondholder and the banker, and

mob law is breaking forth and threatening destruction upon capital, money, capital will remain out of sight and will touch no enterprise, set the wheels of no mills in motion, build no railroads, deepen no rivers, build no canals, rear no cities, employ no labor, and you cannot help it. Legislation will not call it out; it will not come at anybody's bidding. You cannot force it; it will stay, and the poor may pray in vain for work; it will not come until the storm is past and the maddened waves are still.

So I say we want peace, North and South, and we must have it, or prosperity will not come to us. One section must not war upon another or we can have no peace, no such peace as will give capital confidence in the stability of our Government. Harmony must prevail in all the land, and then capital will cease to hide away; then the great West will wake to a new life, and the wheels of industry will again be set in motion; and the way to bring this good-will and harmony in my opinion is to put away the disturbing influences begotten by the late internal strife. So I would pass, as soon as may be, a general amnesty bill. There is no earthly reason why this question should be postponed. The few men in the South still under the ban of the Constitution should be set free. The continuance of that disability is only a useless barrier to the general good-will the country needs, and a true statesmanship demands its removal. It is only a source of trouble, a breeder of ill-feeling while it remains, working no good to anybody. It may be politically unpopular; in some sections of the North it will be; but that should not stand in the way a single day, a single hour. Wipe it out, and my word for it we shall be better friends, better neighbors, and the country will be the better for having done it; and I ask my republican friends to vote for the measure.

We must have harmony, and we cannot afford to wait. Our country cannot afford to wait any longer. Our country needs, labor and capital need, the early completion of the Northern Pacific Railroad and another transcontinental road below the snow line of our country, and it should be built, even though the National Government should have to aid the building in a measure. The vast trade of the Pacific slope should not be tied to one great monopoly. Statesmanship demands the construction of a southern railroad to the Pacific, and by aiding these great enterprises the idle thousands in our land, longing and praying for work, will rejoice in a new life and in a prosperity that will make the nation glad, indeed, and laboring-men happy. The nation needs, labor needs, that we should regain our lost position upon the seas. When the great civil war burst upon us our sails whitened every ocean, lake, and river; our steamers and merchant ships plowed all waters and visited all lands. England, taking advantage of our unfortunate circumstances, aided in sweeping our commerce from the oceans, and now she pays \$5,000,000 per year to prevent us from regaining what she helped destroy. Shall we sit still and behold the loss and do nothing, simply nothing, to regain it? France pays nearly \$5,000,000 per year in aid of her foreign commerce, and by this aid to the ocean steamship lines France and England control the markets of the world. Shall they be permitted to do so forever and this great country quietly submit? Shall English bottoms carry our mails across the ocean and we make no effort to prevent it? Is that the way to provide for the labor of our country?

The history of our foreign commerce teaches a lesson that should be of use to us. It tells the whole story of itself. We are at a great disadvantage as compared with Great Britain in finding new markets for our manufactures, and this comes principally, in fact almost wholly, from the superior facilities offered by a wise plan of postal steamship communication between England and other nations where she looks for trade. The intercourse thus opened by England, and maintained, carries with it all the necessities for building up an immense trade.

We need only compare the trade of the United States and England with those countries with which their steam postal facilities are nearly equal to see the whole subject. Take our neighbor republic, Mexico, lying close by our side. The Mexican government pays for having a mail line of American steamers supported between Vera Cruz and New York and Vera Cruz and New Orleans, also between Acapulco and other Pacific Mexican ports and New York, via the Isthmus of Panama, and from those ports to San Francisco. We are so far situated as favorably as England to gain and hold the trade with that power, and what is the result? The result is, we divided the trade of that republic last year almost equally with England. England sold to Mexico \$4,400,000 of manufactured goods and we sold in the same time \$4,700,000.

Central America may be used as another illustration. Central America has connection with England by two lines of mail steamers, with the United States by one line; and out of \$15,000,000 imports last year, we supplied \$5,000,000 and England \$10,000,000.

We find another valuable illustration in our trade with the United States of Colombia. We have two lines of steamers running there, and England has two. Of \$8,000,000 of goods imported into that country last year we furnished \$4,000,000, and England the same.

The west coast of South America will give us another good lesson in this direction. Taking the west coast of South America, exclusive of the United States of Colombia, and out of \$23,000,000 we sold \$3,000,000, and England \$20,000,000, and our three millions were largely made up of lumber, petroleum, and provisions. Why this difference? There must be a cause for it, for these countries are our near neigh-

bors and the wide ocean separates them from England. Our communications with them tells the whole story. We are dependent for our connection with the west coast south of Panama upon a heavily subsidized English line of steamers whose interest it is to build up and strengthen the British trade with those countries and kill ours.

To the east coast of South America we furnished \$15,000,000, and England the vast sum of \$65,000,000. And why this state of things? Why is it that England steals the trade from our very doors? Let facts answer. With the east coast we had no communications whatever and England has constant communication by subsidized steam lines with China and Japan. Our communication by steam is about one-third that of England, and we sold those countries last year \$10,000,000, while England sold them \$30,000,000.

Do we need to carry these illustrations any further to demonstrate most clearly the failure of our country to compete successfully with England in our foreign trade? It is seen at once that where we stand equal our trade is fully equal to England, and where our communication is small our trade is small in proportion.

As a measure of wisest political economy, our Government should so encourage our mercantile marine as to build up and establish our foreign trade. It is the truest wisdom financially. Our mails should not be carried over the waters of the world in British bottoms. Why should they? When our great national trouble came upon us American ships were carrying to distant markets 100 per cent. more of our goods than British ships. At the close of the war British vessels were carrying over 100 per cent. more of our goods than American vessels were. And we have made no gain on these unpleasant figures since. How can this be remedied? There is but one solution of this question. Extend the helping hand of the nation to our merchant marine.

That will surely do the work. And the only question that admits of consideration before proceeding to give that aid is an economical one. Will it pay? Will the money return to us after few or many days? And we answer in the affirmative, it will, and speedily, and in more ways than one. It will give us back our proud position on the seas; it will send the hum of busy life into every ship-yard in the land and give employment to a hundred thousand skilled and unskilled laborers, and thus the poor man will be blessed indeed; it will employ ten thousand sailors and more, now waiting and watching on stinted allowances, and thus gladden the hearts of thousands upon thousands more. And thus a market will be created at home that will more than repay to the country all the little aid required to work this change which would be such a blessing to the people of this land. The new revenues we should gather from the vast increase from foreign trade would doubtless doubly repay to the nation all the aid extended.

But, you may reply, the country is opposed to subsidies; both political parties have so proclaimed in their great political conventions.

Does that conclude statesmen from doing what the needs of the country demand? I hope not. Do party platforms, gotten up to carry the votes of men upon whose passions the demagogue can practice his art of deceiving, utter the real sentiments of the intelligence of the nation always? Not by any means. Could the people everywhere view this subject in its true light and realize the importance of the measure the voice would come up here like the sound of many waters demanding the adoption of the measure, and the revival of business now prostrate or languishing would be bright with hope. I cannot but think the time has come when we can no longer withhold a helping hand to our mercantile marine; that longer indifference will be a crime against the suffering workmen, and thus a crime against the nation, for the nation's weal is closely related to the welfare of labor and the prosperity of the laborer. The laborer cannot be despondent and suffering without injuring the national life and happiness. There can be no general, wide-spread prosperity when labor is depressed and the workingman disheartened. We need the help foreign trade will bring us and we need the building up of a national mercantile marine for the reasons above indicated and others that could be given if time allowed.

Our constantly increasing capacity to become one of the leading commercial nations ought to excite our national pride. Our agricultural productions are the basis of our prosperity in a very large degree; they already exceed those of any other country on the globe and are rapidly increasing. In many ways our condition and our position is a controlling one. We have given respectability to labor as no other country has done in the world, and have increased its productiveness to a wonderful extent. We stand second to none in mechanical skill and industry. Our mineral wealth is simply fabulous and unexcelled on earth, and we are to-day supplying American iron to British workshops. Our coal-fields are of vast extent and almost beyond the possibility of exhaustion and near the surface, while the coal-beds in England are rapidly failing; but Great Britain looks steadily after her interests, and there is no sea or inlet where the vessels of her mercantile marine do not penetrate. Shall we learn wisdom of the greatest commercial nation in the world? She snatches a large share of the trade from our very doors. As it now stands, a person from Rio de Janeiro desiring to buy goods in the New York market would be obliged to go to Liverpool and thence to New York, and, as a consequence, he does but seldom, if ever, go there, but buys his goods in Liverpool. And we see this is also true of all South American ports. Shall it so remain? That is the question.

We cannot blind our eyes to the truth. We may not say we do not

see. It is too plain to be misunderstood by any man. The path of duty is clearly blazed, and shall we not walk therein? Shall we refuse to aid our shipbuilding interests and thus permit Great Britain and France to monopolize the carrying trade and the commercial traffic of the world? Economy answers no. The idle laborer, when he sees the truth, will answer no, and we should say no as a nation. This Congress should say no. We should not deceive ourselves nor be deceived by the cry against the republican party. Undoubtedly all the evils from which this country are suffering to-day are the result of our terrible civil war; the financial needs of the country when confronted with the great crime of rebellion compelled the issue of irredeemable paper money and the creation of a gigantic debt. This great change in our financial affairs sent the precious metals from the country, and the substitution of paper money for the real, and only real, money of the world led to a vast and unparalleled increase in wages, in wild and speculative enterprises, in illegitimate and ill-advised undertakings, in the wildest extravagance—national, municipal, and individual—the world has ever seen or will see. Men were crazy to become rich in a day, and many did; and those who had lived moderately theretofore became suddenly discontented with their lot and imagined the day had come for them to leap at once into the charmed circle of the millionaire, and they lost all care for economy, borrowed where they could, and grasped what came within their reach, and riotous living was the order of the day; politicians of a certain sort stooped to any dishonesty to obtain place and power, and sold their votes and their influence to the highest bidder, seeking wealth and place at any cost to character and name, and thus came the Credit Mobilier scandal and many others we will not mention, all proving the demoralizing influence of unlimited money or that used in the place of money.

This mania for wealth called for all kinds of extravagance, and Europe flooded our markets and France stowed our warehouses with millions upon hundreds of millions in value of goods we did not want, and, to make our ruin more certain, the Government reduced our tariff 10 per cent. when it should have been advanced 20, and the inadequate duties encouraged the importation of foreign goods, and we sent abroad hundreds of millions of gold and silver dollars to pay for that we did not need; and now we are reaping our reward; that is all. The prices paid for labor rose to such a height that immigration rolled in upon us from every quarter of the globe, and the Government has failed to furnish employment for the millions our inflated prices and great wages called to our shores; and the problem is now upon us to provide for them. Was it the republican party that called to this country the five millions of laboring-men in the brief period of six or seven years? Was it the republican party that sent gold up to 285, and prices accordingly? By no means. The party that repealed the Missouri compromise in 1830 sent gold in 1864 to 285. The party that attempted criminally and fraudulently to fasten the crime of slavery on Kansas and Nebraska in 1853 and 1854 sent gold up to 285 in 1864. The party that fired on Fort Sumter frightened gold and silver from our country and filled the land with depreciated paper and burdened the old flag with a national debt it can hardly carry and still float in its former beauty and glory. The men who swept the South and its loyal thousands with that unholy war upon the Union and crazed the southern people so that the brave and eloquent words of the eminent gentleman who sits in the area here, and many others, could not stay the swelling tide nor still the storm of war that rolled in such fury over the South—such men as these made the war and made the inflated prices and made the national debt; and they need not shake their gory locks at us, we did not do it. But, sir, I fain would let such unpleasant matters of history sleep, and sleep forever, but it cannot be if honorable gentlemen will persist in eternally flinging in our faces the baseless charge that the class legislation of the republican party (the grandest party that ever had a being) occasioned the want and suffering at this time afflicting us. Let history speak and then we will be silent, but never more till then. We would rejoice to behold a disposition from all sections of our common country to let by-gones be by-gones, as the great democratic standard-bearer of 1876 advised, and then we could proceed quietly and impartially and dispassionately to meet the necessities now upon us and which are so clamorously demanding our attention.

These necessities are mostly the result of a great national calamity, which we all regret now, I trust; but, in a spirit of kindness and with an eye to the utmost economy consistent with the sufferings and wants of the people, we should proceed to devise ways and means to tide our poor people and laboring classes and business men, so far as may be, over this trying time in our history as a nation. It can do no good to stand and call each other pet names, and we should have wisdom enough to stop such foolery.

So I call upon all good men and true, here and throughout our land, to give us a lift just now when we need it most, and let that unpleasant past, that bitter past, which only brings us sorrow when recalled, sleep, and sleep forever. We are here in our father's house, and we will be glad and rejoice together if you will. Is not this the way of wisdom? I think I know enough to know, if the tables had been turned through all the years of our national life and we of the North had been in the South and you in the North under the same education as each have had in the past, you would have been fighting under the Stars and Stripes in the late conflict, and we should have met

you on many a red field of battle under the waving stars and bars or some other ensign of our devising. But this is all over now, and the path of duty should be plain to us, too plain for us to wander far away unwittingly.

There is no true statesmanship in inflaming the laboring populace against the capital of the country. The honest, the wise, the true statesman will employ his wisdom and his eloquence in blending these two great and all-controlling forces into one great and united movement, to lift the country out of the trouble that is now upon her, and in speeding the day of the deliverance of all our people from the sufferings they now endure. Such statesmanship will counsel bravery on the part of our heroic people in enduring the woes that are unavoidable and in waiting patiently for the lifting of the cloud and the cheering light of day, which will surely come.

The true statesman the country needs in the North and in the South, in the East and in the West, at such a time as this, will not flatter the criminal striker or mollify him with honeyed words. He will not encourage the bloody-handed mob in their insane and wicked attempts to wrest by fire and force from the hand of capital the earnings of a life-time of industry and economy. No, never. Such statesmen will, in no uncertain sound, proclaim the criminality of such conduct, no matter who the actors, whether laboring-men or merchants, employes of merchants, or lawyers.

Such wild attempts to crush out law and order as surged through the city of Pittsburgh last July, until that great city became the sport and plaything of an angry, besotted mob, and life and property were simply toys with which it played, and blood flowed in the streets, and the flames swallowed up millions of precious treasure the needy could ill afford to lose—such criminality must be put down, and, if necessary, with the saber and the bullet and the cannon and the bayonet. And I would have a standing army to protect the innocent and the peaceful, the industrious and law-abiding; his home and his property must be sacred in the eyes of the law, and that law must be enforced, no matter whom it hurts. There is no other way of safety. Law must be maintained, and at any cost of blood or treasure; the life of the nation demands it, the best interests of all labor demand it, and every interest in human society demands it. There is no other way; and when the honorable gentleman from California [Mr. LUTTRELL] asks, as he did when the Army bill was under discussion, of another honorable gentleman on this side of the House, "if he would keep a standing army to shoot down laboring-men?" I answer unhesitatingly and unequivocally yes, shoot down laboring-men when they become criminals and beyond the control of the law; shoot them down, or any other men, lawyers, merchants, or doctors, or any class of men who willfully and wickedly take the law into their own hands and trample upon life and property and the most sacred rights of man; then they must be put down, and with the cannon and the sword if necessary.

I think I have made myself understood. I have endeavored to without any fear of political consequences. I hope the gentleman understands me. And I would employ still stronger language in condemnation of the men engaged in the wicked riots of last summer if I possessed the ability. There is no language too severe with which to characterize such miscreants, and the man anywhere who seeks to foment such wickedness and murder is an enemy to the country in which he lives.

Listen for a moment to this delectable language, taken from an important New York City paper:

The telegraph brings us word that the Secretary of the Treasury has destroyed during the last month \$1,396,512 of greenbacks, the only legal-tender money in circulation. These greenbacks are daily selling for ninety-seven and one-fourth cents on a dollar in gold. This has all been done for the avowed purpose of getting rid of the best money that was ever made, and for the real purpose of robbing the people of that amount of money and giving it to the banks.

And now please listen:

Would not a brigand, a burglar, a horse-thief, a highway robber, a pickpocket, a thief, who would take one-half of that amount from the people, deserve to be imprisoned for life, or hung by a mob to a lamp-post, or taken into a public square and shot?

Yet these legalized public robbers are robbing the people in this way every month without anybody to molest them or make them afraid. What do you think of such language, my friends, sent out broadcast over our country at such a time as this, when ten thousand men are in a state of rebellion and disorder in our cities? What is the tendency of such violent and unfounded declarations? Is it not bloodshed and red-handed murder of the innocent citizen? And yet just such appeals as that, I fear, have been raised in this House and in the other end of the Capitol. And it is full time honorable members of both sides of this House grew more careful of the language they employ when heated in debate. It is time we learned to care more for our country, and its safety and welfare, than for any political party or the enjoyment of any political office.

And in conclusion I have but a word to add. I love my country. I trust we all do that. And I ask my southern friends to let the everlasting and ever-recurring cry of republican class legislation pass away, and forever. It can only stir up bitterness here. It can only drift us away from each other and make our intercourse less pleasant, and the good we can do our country here of less moment; and then we will proceed to the building of the waste places in our country and restoring the old-time friendship.

I call upon the great West, with her millions swarming along the

father of waters and the great rich valley it drains, to make no war upon the East. She is your mother. Make up no mouths at her. You will degrade yourself in doing thus. But give your time and energies to the improvement of your mighty rivers, capable of floating the commerce of the world. Countenance no war of labor on capital. It will not do. All the interests dear to Americans forbid it.

I have spoken very plainly. I will do so while I have a seat upon this floor. So, I repeat, I do not charge upon the republican party the brood of woes that trouble us and under which the people stagger. It did not give them birth. The clash of arms, the rolling drum, the booming cannon, the blaze of battle, the crimson field, and the bleeding armies, that clothed the land in mourning and covered it over with graves did that. But let that sorrow pass. "Let us have peace."

But you may ask, how will the ways and means be supplied by the Government to meet the added expenditure necessary to lift our suffering thousands to their feet and steady them there until the financial night is passed? That is a fair and legitimate question; and I will as fairly and frankly answer it according to the light I have. Restore the tariff rates of 1865, and the work is done. Then we were on the flood-tide of success, as you all proclaim. Then give us the good old times of 1865 once more, and, my word for it, the old craft of state will sail triumphantly through the waves, and our people will be happy.

But our southern friends tell us that is class legislation for the rich manufacturers of New England and Pennsylvania and New York. That is not true. I say to the South, with its sunny clime and fertile lands, open wide the doors of your beautiful land and invite the capitalist of New England to settle there, and save for you and him the millions you fling away or send over the sea to feed and clothe the poor of England, and to increase, build up, and strengthen her foreign trade and her merchant marine to the degradation and discouragement of your own. And in less time than you dream your streams and rivers will swarm with busy life, and the hum of the whirling spindle and the click of the flying loom will make the South vocal all over with their cheering music; and then a protective tariff will suit you, as it now does the manufacturers of the North and the wool-grower and wheat-grower of the West.

The exhaustive process of sending your staple (cotton) abroad, if continued another century, will make the South a desert. Adopt the other theory and it will bud and blossom in unrivaled beauty, and the great State of Texas, containing more wealth undeveloped than all of France, will in one short decade send her merchant ships to every port, as she can feed almost countless millions when she fosters diversity of labor and supplies a large market at home for her people. The free trade folly must be abandoned. We have only to follow in the wake of old England, who now is endeavoring to lure us into her trap.

For four hundred years she protected her industries by the most cruel and tyrannical prohibitive laws the world has ever seen, punishing the least infraction thereof by fines, banishment, and death, and continued until she grew so strong she could successfully defy the world, and she proudly and truly claimed to be the workshop of the world. Such is England.

So little Belgium, only a little larger than Maryland—"My Maryland"—by the steady and unwavering protection she has afforded her people from the nations around her, has increased her wealth beyond all calculations and kept her people at home, until she numbers them at five millions of happy and contented souls.

And I challenge any man to point me to a nation which has become impoverished and lost its power where it steadily maintained a thoroughly protective policy, and I challenge any man to a time in the history of this Republic, save when some great war has disturbed our values, when we have not grown rich under a protective policy, and when we have not exhausted our national Treasury under free trade when long continued.

A practical demonstration of a theory is worth ten thousand times ten thousand theories unproved and resting on the conjectures of the dreamers of the schools. Give us the theory that has made us rich and fling away all such as makes us poor.

There is, there can be, but one way for us to work ourselves out of our present troubles. We cannot do it by dishonesty. We cannot do it by sitting down and folding our hands in despair either, and growling at the circumstances surrounding us. We cannot do it by the censure and sounding condemnation of any body, any party, or any section. We can only accomplish it by rigid and universal economy, nationally and individually, and economy should be the rule, and not the exception; and the rule of absolute honesty must be practiced. All swindlers must be condemned and, where found guilty, punished with a certainty that shall strike terror to the hearts of evil-doers. The Government must be economical and at the same time it must be generous. It must furnish work for the idle hands now folded in despair, so far as it may consistently, not doing so extravagantly and wildly, but savingly and carefully. It must, at this time of trial and distress, open its hand and feed the hungry, but in payment for services rendered in carrying forward to completion the public improvements already commenced, and in the making and building of others needed and necessary for the public good, and increasing our working forces in the various Departments, now far behind for the want of help. When we realize that there are over

twenty thousand letters unanswered by the Medical Department at Washington, inquiries from the Pension Office, and which must be answered before the poor soldiers who fought for the flag of the Union when assailed by its foes can obtain the dues from the country they saved they are justly entitled to, can any man say it is economy to refuse such help as is necessary to hasten the relief to which these men are entitled, and when there are suffering men and starving women and children crying for the food and shelter such work would give them? We should increase our Army by ten thousand men; yes, by twenty thousand. And we have the carefully expressed word of General McClellan for it; that such a course will be in the certain direction of national economy; and does he not know about as much about it as the civilians on this floor who never drilled a squad or fired a gun? Why, the wisdom of the advocates in this House of an army of fifteen thousand men for this great rich country, with its thousands upon thousands of miles of hostile border to protect is absolutely ludicrous, and must be a source of merriment to the military men of the world. McClellan was undoubted authority a few years since, when the war for the Union over at Chicago was declared a failure. Why is his opinion of so little value now? Why do the honorable members on the other side give him no credit for wisdom to-day? He tells us it would be economy for the Government to maintain a much larger army. Does he know anything about it? General McClellan is thoroughly educated, not only in theory as to the cost of a small and a large army, but he has the practical knowledge necessary to enable him to give valuable advice in this direction, and yet his words are unheeded, when to regard them would be to give employment to at least twenty thousand men, thus relieving the country of that number of idle and suffering men and thinning the ranks by twenty thousand of the tramps in the land, that are supported at the expense of the people, at a vastly greater cost than it would be to the nation to support them in the Army.

Then, I say, increase our Army; give the learned and experienced General credit for some wisdom. But, on the contrary, our democratic friends say, cut the Army down yet smaller. Why is this? Can any man answer intelligently and not proclaim the fact that it is in the interest of political quackery? Can they reply without stating it is in the interest of a fraudulent cry of retrenchment and reform for political effect and that alone? And our democratic friends who refuse to increase the Army and refuse to give the desired and necessary clerical force in the Departments at Washington, so that the necessary work may be done for the interest of the suffering ex-soldiers of the nation, and who refuse to aid in making the necessary public improvements, are continually crying out against the republican party, charging it with the thousands of idle men who can obtain no work.

You charge the republican party with the destruction of business and you ring the changes on the falling mercantile houses, and you do this in the face of the fact that more than double the failures have occurred in the Canadas during the last year that have transpired in the United States, in proportion to the population. Do you charge the Canada failures on the republican party? You see this charge will not bear inspection.

The great trouble with the country is that labor is standing still. Nobody bids the laborer "go work in my vineyard." And why not? Because they have frightened capital from the field. Our people want work. It is not so much the amount of wages as employment they are praying for, or should be. Labor is paid better and higher wages in this country to-day than in any other on the globe, and better and higher wages than was ever paid in this country before, save during the war of the rebellion, when two millions of men were in the Army, and since the war, when the country was filled with cheap money caused by the rebellion.

In 1850 the average wages of the male laborer, of all classes, was eighty-five cents per day; in 1860, \$1.02; at the present time, about \$1.30. And thus it is seen it is not the amount of wages per day that troubles us, but the want of work. Give the people work, then; that is the great and overwhelming necessity that is upon us. And let every poor man who stands waiting for employment understand that the man who wars on capital is an enemy of labor, and that any political party that fails now to hear the cry of the laborer sweeping over the land and fails to send labor to the waiting workmen is an enemy of the poor man. Let the poor remember that capital is their only hope, and that while it remains hidden away and dares not come forth to send the ships over the sea or the spindles to whirling the poor will cry and pray in vain for help.

History is only repeating itself in this country, as it is in others also. One financial extreme follows another as certainly as summer follows winter or as storm follows calm, and ever will; and complaining will not help us. It may supply a little capital for the political quack for the moment; that is all. O God! that men should be so few who dare to stand for the right and for the truth and so many who care more for party than for country. Give us men who dare stand on higher ground than political success and party triumph. Give us men—politicians—who will go up on the high lands, where the clear, pure breezes play, up out of the political fogs and party miasmas and stand there and battle for the truth, for peace, for harmony, and for political and financial honesty and honor, and the sight will be refreshing to the people and the world. Then the Government will speedily extend a helping hand and life and activity will have a new and glorious birth. Our ship-yards will

be scenes of industry, and our public buildings will go forward rapidly to completion; our rivers will swarm with new life and the cry of distress will cease. The eminent gentleman from Ohio [Mr. EWING] wailed forth a sigh here that was thrilling indeed. Said he:

O God! that bread should be so dear
And flesh and blood so cheap.

It was an eloquently worded wail, but it is so deceptive and so shrewdly calculated to sweep on the wave of excitement against capital that I could not altogether admire the effort, notwithstanding I admired the eloquence and ingenuity of the honorable and distinguished gentleman in his way of putting it. If he had said to the admiring galleries, who cheered him so lustily: "My friends, we are in trouble; you are in trouble. The great war of the rebellion that the republican party and the Douglas democrats put down caused this trouble, and it all came upon us by our folly and wickedness, and there is no way out of this sea of woe but by working out like men and enduring bravely the trials we must meet on the way;" and if he then had counseled in the able manner he is so capable of doing a just and generous liberality by the Government in bearing or assisting the people to bear the heavy burdens of the hour, then a coming generation would sing his praises. But he did no such manly thing. On the contrary, he went down to the pitiful task of manufacturing political capital out of the unfortunate situation brought upon us by an unholy war upon the flag of our country. Will the world admire such a course by and by, when the mists have cleared away and men can see more perfectly than now? I think not. The time is coming soon when all will see that honesty is the best policy for a nation as for an individual, whether in adversity or prosperity, and the sooner that time arrives the better for us as a people.

REMONETIZATION OF SILVER.

Mr. MAYHAM. Mr. Speaker, I have listened with deep interest to the discussion on this floor of the grave and important financial questions that now agitate the people of this country and in a greater or less degree occupy the attention of all classes of citizens; and I can but feel a profound regret at the apparent effort to create in the public mind an imaginary antagonism between labor and capital; between the poor and the rich; between the producer and the consumer; between the creditor and the debtor.

Such antagonism is, in my judgment, alike unnecessary, unnatural, and unwise. It requires but little reflection to see and understand that without capital labor would be both unproductive and unremunerative; that without labor capital could not be advantageously employed; without the creditor the poor would be shorn of one of their chief resources for engaging in profitable business; and without the debtor capital would remain idle in the vaults of the banks or safes of the rich. Thus it will be seen that each is mutually dependent upon the others for most if not all of its profits and advantages, and either would be paralyzed and practically powerless without the aid and assistance derived from the other.

If these propositions be true, then sound political economy consists in a proper regard for the interests of both labor and capital, and any unjust or invidious distinction by class legislation by which either gains a temporary advantage of the other can but result in ultimate injury to both by paralyzing or dwarfing the one or the other and thus, directly or indirectly, weakening both.

It is in view of the premises above stated that I ask the attention of the House for a short time while I endeavor to apply these general principles to the consideration of the proposition now pending before this House to remonetize silver; or, in other words, to discuss the propriety of restoring the country to its original redeemable power by re-establishing the constitutional coin of the country, which was weakened by the act of Congress of 1873, demonetizing silver. In the discussion of this question I shall endeavor not to lose sight of the constitutional provisions which seem to be at the foundation of our whole financial and monetary system as established by our fathers and incorporated in the organic law of the country, for I believe that in times of financial distress like the present, when the credit alike of the country and individuals is in peril, when doubt and uncertainty hang like a pall over the entire people; when in the uncertain and ever-changing light of the future the disastrous shoals and quicksands are dimly seen looming up in the distance, upon which national and individual credit are alike imperiled, the only safe and reliable light to which we may turn as a beacon to guide us aright is the great light provided in the Constitution, which at all times remains stationary, which no gust of passion, prejudice, or avarice can change, but in the light of which, if heeded, the financial pilot may steer his precious craft into a harbor of safety and repose.

The Constitution of the United States, section 8 of article I, provides that Congress shall have power—

To coin money, regulate the value thereof, and of foreign coin.

Under this provision of the Federal Constitution, Congress as early as April 2, 1792, adopted a standard of value for silver coin, at that time authorized and coined as money; and at the same time established a gold coin, regulating its value or the value of its unit or dollar. So that both these metals became standards of value, or were endowed by that act with certain equal purchasing power. From that time until the act of Congress of 1873, demonetizing silver, these coins of gold and silver floated equally current from hand to hand in the transaction of the ordinary business of the country not only, but

were also the bases of redemption of all bank circulation, Government indebtedness, and individual contracts, and until the act of February 22, 1862, the only lawful money or legal tender in use for the payment and liquidation of all debts, public or private.

In addition to the constitutional provision to which I have referred there is another which by direct implication makes gold and silver the only legal currency for the payment of debts. It is true that the prohibition in terms is confined to the States, but its existence affords an irresistible and almost conclusive argument in favor of the constitutional authority and guarantee of gold and silver coin as the standard of value and redeemable power of the Federal Government.

Section 10 of article 1 of the Constitution provides as follows:

No State shall enter into any treaty, alliance, or confederation; grant titles of mark or reprisal, coin money, emit bills of credit, make anything but gold and silver coin a tender in payment of debts, &c.

Here, then, we find explicit and unequivocal recognition of gold and silver alike as the legal-tender coin of the country, without any distinction or discrimination in favor of or against either; and under these two provisions of the Constitution the Congress of the United States has from the time of the adoption of that instrument exercised the power conferred by those provisions to coin money, both gold and silver, and make them the lawful money and legal tender in payment of all debts, both public and private.

The power of Congress to exercise this right has never been doubted; nor is the power at this time questioned by any person; but the justice and expediency of its exercise at this time by Congress are strenuously denied; especially that of the remonetization of silver, so as to make it receivable in the payment of the principal and interest on the public debt. And the effort to remonetize silver for such a purpose is denounced by the bondholder or some of the creditor class as a partial repudiation of the public debt, and an act of bad faith toward the creditor class.

If this be true to any extent, then it ought not to become a law, for this country cannot afford to repudiate or in any way to dishonor its just obligations; and I do not believe that there is any sentiment in the country that favors one dime of repudiation. If there be any such sentiment it has not found an advocate on this floor, and if it did it would receive nothing but condemnation from me and the constituents whom I have the honor upon this floor to represent.

But as the charge of repudiation is made with apparent serious-

ness, it must be met in a like spirit, and the question is one of sufficient importance to challenge the careful and candid consideration of every gentleman upon this floor.

I assume for the purposes of this argument that these bonds should be paid in the legal currency or money of the country existing at the time they were issued, and I will go even further than that, for the purpose of this discussion, and concede that as to purchasers since the resolution of March, 1869, declaring that the bonds should be paid in the legal coin of the country, that they should be so paid, but further than that I will not go.

That accords a full measure of justice to the public creditor, and at the same time protects the tax-payer, who in this instance is the debtor. On the one hand the creditor will be honestly paid according to the conditions of the bond, and on the other hand the debtor will be relieved from payment in terms more onerous and oppressive than that by the terms in which he agreed to pay.

This will be equal and exact justice; not repudiation on the one hand or extortion on the other; and is not this just and right? Is there any good reason either in law or morals why the bond should be paid in a currency more valuable, of more purchasing power than that in which the contract was made? Shall the bondholder have awarded to him by Congress any special immunities not given to other creditors? Shall the public tax-payer be more oppressed in the payment of these bonds than other debtors?

For myself and my constituents I answer most emphatically, no! But, Mr. Speaker, in determining this question let us not, under the influence of unwonted zeal, jump at conclusions or deal in assertions only. Let us go back to the time and history of the issue of these bonds and see whether there is anything so special, so sacred, so unlike other obligations as to place these securities on a higher plane or invest the holders of these securities with more exalted equities than other honest creditors.

The chief, if not the entire, amount of these bonds were issued under acts of Congress, the first of which was approved February 22, 1862, and the last January 20, 1871, and, that there may be no mistake as to the time of the passage of the several acts under which these bonds were issued, I call attention to an extract from the statement of public debt by the Secretary of the Treasury for the month of December, 1877, in which the Secretary gives a detailed statement of the debt, bearing interest in coin, and refers to the various acts under which the bonds were issued.

Debt bearing interest in coin.

Authorizing act.	Rate of interest.	When redeemable.	When payable.	Interest payable.	Amount outstanding.		
					Registered.	Coupon.	Total.
June 14, 1858.....	5 per cent.	After January 1, 1874..		January and July.....	\$260,000 00		\$260,000 00
February 8, 1861.....	6 per cent.		December 31, 1880..	January and July.....	13,820,000 00	\$4,595,000 00	18,415,000 00
March 2, 1861.....	6 per cent.		July 1, 1881.....	January and July.....		945,000 00	945,000 00
July 17 and August 5, 1861.....	6 per cent.	After June 30, 1881..		January and July.....	126,285,100 00	63,336,250 00	189,321,350 00
March 3, 1863.....	6 per cent.	After June 30, 1881..		January and July.....	53,919,400 00	21,080,600 00	75,000,000 00
March 3, 1864.....	5 per cent.	After March 1, 1874..	March 1, 1904.....	March and September..	142,545,950 00	52,030,350 00	194,566,300 00
March 3, 1865.....	6 per cent.	After July 1, 1870..	July 1, 1885.....	January and July.....	46,466,550 00	70,436,800 00	116,903,350 00
March 3, 1865.....	6 per cent.	After July 1, 1873..	July 1, 1887.....	January and July.....	98,556,050 00	212,061,750 00	310,617,800 00
March 3, 1865.....	6 per cent.	After July 1, 1873..	July 1, 1888.....	January and July.....	15,750,500 00	21,714,800 00	37,465,300 00
July 14, 1870, and Jan. 20, 1871	5 per cent.	After May 1, 1881..		F. M. A. and N.....	220,076,350 00	288,364,000 00	508,440,350 00
July 14, 1870, and Jan. 20, 1871	4½ per cent.	After September 1, 1891		M. J. S. and D.....	117,129,900 00	82,870,100 00	200,000,000 00
July 14, 1870, and Jan. 20, 1871	4 per cent.	After July 1, 1907..		J. A. J. and O.....	59,305,700 00	10,694,300 00	70,000,000 00
Total of debt bearing interest in coin.....					894,115,500 00	827,818,950 00	1,721,934,450 00

From this statement it will be seen that the entire bonded debt of the country, the interest of which is required to be paid in coin, was created under acts authorizing the issue of bonds before the passage of the act of February 21, 1873, which demonetized silver.

At the time, then, of the passage of the laws under which all the bonded debt of the country was created, as well as at the time of the issue of the bonds, silver was legal coin of the country, and as such was within the very letter of the bond lawful money for its payment and redemption.

To prove this needs but a brief examination of the various acts of Congress regulating the coinage of the country. In 1791 Mr. Hamilton, then Secretary of the Treasury under Washington, in his report to Congress, urged a bimetallic standard of gold and silver, and uses this language:

To admit the use of either and not both these metals as money is to abridge the quantity of circulating medium of the world, and is liable to all the objections which arise from the comparison of the benefits of a full with the evils of a scanty circulation.

Mr. Jefferson, in commenting upon this recommendation of Mr. Hamilton, says:

I concur with you that the mint must stand upon both metals.

These great statesmen who were charged with the important duty of laying on a secure foundation the financial policy of this country, differing as they did upon many of the questions which arose during the first national administration, and to such an extent as to become the founders of two great political parties in this country, which

struggled for the ascendancy for more than half a century, and the distinguishing features of which may still be traced in the political parties of to-day, agreed upon the important question of a dual metallic coinage and standard of values, composed of gold and silver, and their views were crystallized into form in the act of Congress of April 2, 1792, which received the sanction of the Father of his Country, by which the silver dollars of 416 grains and the gold dollars of 27 grains were declared equal in value and made the unit of the United States currency, and were declared to be "legal tender in all payments whatsoever." The ratio of gold to silver of this unit in weight was 1 to 15. This law remained unchanged until June 28, 1834, when the ratio or relative weight and fineness were changed so that they stood 16 parts of silver to 1 part of gold. On the 18th June, 1837, the relative weights were again slightly changed by an act of Congress approved on that day, and the weight of the silver dollar fixed at 412½ grains, in which it was again enacted that the coins of both metals, as established in that act, were legal tenders in payment of all sums.

Again, by the act of Congress of February 21, 1853, the relative weights were changed and the silver half dollar was reduced to the weight of 192 grains and restricted as legal tender to sums of \$5; but the weight of the silver dollar was not changed, and in none of these acts was the silver dollar demonetized or deprived of its legal-tender power, and that power was in no way abridged until the act of February 12, 1873, which as we have seen was long after the passage of the acts under which the bonds were issued and long after these bonds

had been issued. The act of February 12, 1873, made gold coin the only legal tender in coin for all sums above \$5, created a silver trade-dollar of a given fineness at the standard weight of 420 grains, and made it a legal tender for all sums not exceeding \$5 at its par or nominal value.

Thus we have briefly and hastily traced the policy of this country from its earliest existence down to 1873, a period of over eighty-one years, during all of which it has steadily and successfully sustained a bimetallic standard, and has maintained its credit at home and abroad, and although this nation has at times been called upon to defend its flag from foreign assault and internal conflict, it has never been called upon to defend its financial honor, nor has its credit ever in the slightest degree suffered when its basis of redeemable power has rested in gold and silver.

Enough has been shown by this hasty review to prove without any extensive or elaborate examination of the relative value of these metals that there is no difficulty in adjusting by legislation from time to time their relative values without any serious disturbance of any of the interests of the country, and at the same time retain and float these two metals side by side in all the banks and business of the people, making them the standards or measures of value and at the same time the redeemable power of the country and greatly facilitating that resumption so much desired by all, but about the time for which there is such a wide diversity of opinion. But, sir, we are told with great emphasis and with apparent holy horror by the champions of the bonded interests of the country that the remonetization of silver is a species of repudiation, and that all who favor it are repudiationists. Let us see. In what were these bonds by their terms payable? If we propose to pay them according to the terms of the contract, it is payment and not repudiation, and of that the holders cannot complain.

The act of Congress approved February 25, 1862, authorized the Secretary of the Treasury to issue \$150,000,000 of bonds, known as five-twenties, provided for the payment of the interest in coin, and at the same time directed the issue of a corresponding amount of legal-tender notes and provided that the notes so issued should be a legal tender in payment of all debts, public or private, except duties on imports and interest on the public debt, which was required to be paid in coin.

The act of Congress approved July 17, 1862, provided for the issue of bonds to the amount of \$150,000,000 and provided for their payment in coin, and the same is true of the act approved July 11, 1862, for a loan by the Federal Government.

The acts of March 3, 1863, March 3, 1864, and June 30, 1864, providing for the issue of bonds in the aggregate to the amount of \$1,500,000,000, each provide for payment in coin, and the act approved March 3, 1865, provides for a loan and the issue of bonds to the amount of \$600,000,000 and makes them payable in coin or lawful money. It will be observed that in none of the acts authorizing these loans or the issue of bonds therefor are those bonds or the interest on the same required to be paid in gold coin, but the same is made payable in coin or other lawful money.

Sir, what was meant in any or all these several acts by the word coin? Did it mean gold coin? The whole law of the country in existence at that time, as well as the bonds themselves, forbid any such conclusion. It meant the legal coin of the country, consisting, as I have shown, of gold and silver alike except when the law provided for payment in "other lawful money," by which was meant legal-tender notes.

To cover this latter class of bonds and to make all the obligations of the Government redeemable in coin, the act approved March 18, 1869, which was the first act approved under President Grant's administration, was passed. This act pledges the faith of the United States to the payment of all the obligations of the Government not bearing interest, known as United States notes, in coin or its equivalent, and the same act pledges the faith of the Government to the payment of all its obligations in coin. It will be observed that this act does not promise payment in gold coin, but only in the legal coin of the country. What was the legal coin of the country at that time? The answer comes back from the acts above referred to, gold and silver, each equal before the law.

It follows, therefore, that payment in gold and silver is payment according to the laws under which the bonds were issued, according to the terms of the bonds themselves, and according to the act of April 18, 1869, passed upon the specious pretext of strengthening the public credit. In none of these bonds, in none of these acts, have the people promised to pay gold exclusively; and to exact it now is not only a violation of the letter and spirit of the law and the bonds, but is a gross and flagrant violation of good faith and fair dealing toward the tax-payers.

With these facts staring us in the face it will not do to insist that the restoration of silver to its redeemable power is a violation of the bond or repudiation of the rights of the bondholder. He must be content with the fulfillment of the bond, with payment as therein provided.

Sir, let us look for a moment at the effect upon the tax-payer produced by the demonetization of silver. It has already been seen that payment of the public debt, principal and interest, must be made in the coin of the country. The withdrawal of all the silver coin from that purpose reduces correspondingly the redeeming power of the

Government. To the extent that the withdrawal of silver diminishes the available paying resources of the Government, to that extent is the value or purchasing power of the remaining coin increased, and yet it will only pay dollar for dollar the amount claimed or due upon the bond. The bond will therefore be relatively as to the values of other property increased while the paying power of all other property will be correspondingly diminished, when measured only by a gold standard, and contraction in the face of our enormous debt will be carried beyond any former period in our history, by the withdrawal of about \$200,000,000 of silver, which could be made available as coin or bullion which is its equivalent, from the purchasing or redeeming power of the country. Is such a contraction just to the tax-paying, creditor class? Can it be justified upon the pretext that the silver dollar since its demonetization has depreciated below par of gold, and the bondholder who agreed to take silver would not receive as much as he would if paid in gold?

Was it judicious while this debt, unprecedented in amount, rested like an incubus upon all the interests of the country except these bonds, to demonetize and wipe out all the silver coin in the nation, and at the same time secure to the privileged holders of bonds their principal and interest in gold?

Experience had demonstrated that gold and silver could safely and properly form a bimetallic standard. The Constitution had provided for its establishment; laws had from time to time for a century been enforced for its maintenance; the wisest of statesmen, such as Hamilton, Jefferson, Washington, Jackson, Benton, Wright, and scores of others, had watched approvingly its operations and effects, and no adequate reason had ever been given for its disuse. Not only had our own statesmen approved it, but the statesmen and bankers of the whole commercial world had signified their approval of its wisdom.

Léon Faucher, in discussing this question and the wisdom of the policy of Great Britain, says:

If all the nations of Europe should establish a gold standard, the price of gold would be raised and we should see produced in the commercial world a result lamentable enough.

In the great monetary convention of bankers and merchants in France in 1869, Baron Rothschild said:

The simultaneous employment of two precious metals as standards of value is satisfactory and gives rise to no complaint, whether gold or silver dominate at the time being; it is always true that the two metals concur together in forming the monetary circulation of the world, and it is the general mass of the two metals combined that serves as a measure of the value of things. The suppression of silver would amount to a destruction of value without any compensation.

In the same convention M. Wolzowski said:

The sum total of the precious metals is reckoned at fifty milliards, one-half gold and one-half silver. If by a stroke of the pen they suppress one of these metals in the monetary service they double the demand for the other metal to the ruin of all debtors.

Sir, if the honest and faithful performance of the conditions of the bond demanded these sacrifices; if good faith require that they be made; if the holder of these securities may, according to the terms of the bond, demand this, then would I yield to this demand, though ruin were its inevitable result.

But, sir, it is not written in the bond, it is not found upon the statute-books, it is not in all the field of that wider and more extended domain of morals or good conscience. There is, then, in this matter no conflict between the law, the bond, duty, or conscience. The demand of each may be faithfully preserved and the just and legal rights of all parties faithfully and religiously protected by the remonetization, upon a proper standard of value, of the dollar of the fathers.

Mr. Speaker, in view of the Constitution, the law, and the facts which cluster around and bear upon this question, I am constrained to vote for the remonetization of silver—

First. Because I believe it one of the kinds of coin clearly contemplated by and embraced within the provisions of the Federal Constitution.

Second. Because I believe it to be one of the kinds of coin contemplated by the various acts under which the public debt was created and the bonds issued, and the public creditor, like the private creditor, has no right for his own personal advantage to insist upon terms more advantageous to him and more oppressive to the millions of tax-payers who are his debtors.

Third. The tax-payer has a right to demand that the bond be paid according to its terms, as a just measure of partial relief from the grievous burdens under which he suffers and toils.

Fourth. Experience of all ages and countries demonstrates the feasibility, without injury to individual or public credit or inconvenience to business, of bimetallic standards of value.

Fifth. The inexhaustible mineral resources of this country in the precious metals, both gold and silver, gives this Government an advantage over all other nations in the cheapness of its coin, and yet its superior excellence in purchasing power in the markets of the world; an advantage which is in part lost by the demonetization of silver.

Sir, in arriving at this conclusion I am not unmindful of the fact that a large majority of my colleagues on this floor, in whose judgments I have great confidence, differ with me upon this subject, to whose judgments I would most gladly defer did I not feel bound by the highest and most obligatory sense of duty in this matter to follow my own convictions.

In doing so I yield to no man upon this floor in my desire to do

strict and impartial justice to all classes alike. I recognize in this matter no just ground for antagonism between capital and labor, between the creditor and debtor—the bondholder and the tax-payer. I believe it to be the most sacred duty of the Government to pay all its just obligations strictly in accordance with the terms of its contract, and an equally high duty for the public creditor to cheerfully accept payment upon the same terms. By observing this reciprocal duty, the Government will maintain its credit at home and abroad and the bondholder will be secured in his claims against any and all risk from the assaults of demagogues, who might, if just measures are not adopted to protect the people in their just rights, in an evil hour appeal to the passions and prejudices of an oppressed people to build up in this country a party which, forgetting or disregarding the honest obligations of the Government, will seize upon the pretext of unequal or class legislation in the interest of capital, to start the cry of repudiation, and in a revolutionary manner overthrow or repudiate all the just obligations of the Government. If the just rights of all parties are scrupulously observed no such sad calamity can ever be forced upon the people of this country. The great popular heart beats responsive to all the dictates of honesty and good faith, and the credit and honor of this nation will be preserved against all assaults of faction and demagogism so long as the Congress of the United States does justly between the people and avoids all class and unequal legislation.

In times like these the highest duty of Congress is to guard sedulously the rights of the people; their burdens are heavy, their patience and endurance have been long and sorely tried. Want and destitution stalk abroad in our streets like pestilence that "walketh in darkness and wasteth at noonday." Labor is unemployed and capital is idle and unproductive. The Government creditor is the only one sure of his interest and protected from taxation. Let us not by our legislation appear to give him any further immunity, but let us protect him in all his just rights, and let us all hope that ere long the cloud that lowers upon us may be lifted and the sunshine of prosperity and thrift again shine upon our land, imparting new life to all our industries and giving new impulse to the development of all those latent and undeveloped resources with which our beloved country, more than any other, is blessed.

REPEAL OF TOBACCO TAX.

Mr. McKENZIE. Mr. Speaker, on the 29th of October last I had the honor to introduce into the House of Representatives the following bill:

A bill to permit the growers of tobacco to sell one thousand dollars' worth of their own growth without a license so to do.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the growers of tobacco be, and they are hereby, authorized to sell to consumers tobacco of their own growth or raising, one thousand dollars' worth without having first to obtain a license so to do, as now required by law.

It is not my purpose, however, to limit myself in the discussion of this bill, in what I shall have to say to the House, to its features alone; but to discuss, first, the magnitude of the tobacco interest; secondly, the character of the tax; thirdly, the principles upon which revenue taxation is based; fourthly, the question whether tobacco is purely a revenue-producing plant; fifthly, the necessity for a reduction; and lastly, the injustice done to the great planting interest as well as the Government, by the restrictions placed upon its sale and by the tax imposed.

Representing as I do one of the largest producing tobacco districts in the United States, and the question of the reduction in one form or the other of the tax on this staple and the propriety of the repeal of that provision of the revenue law, depriving farmers of their right to sell tobacco of their own raising, being agitated in various bills before this body, I should consider that I had failed to truly represent my constituents were I to permit a question involving so much to them to pass unnoticed by me.

As one of the representatives of that great tobacco belt, the productions of which entitle it to rank second among the producing sections of our country, I should feel that I was derelict in duty, not alone to the district I represent, but to the whole tobacco-producing area of the country, were I to fail to raise my voice in support of some measure looking to a reduction of the present onerous tax upon this great staple and the removal of restrictions upon its sale by producers.

Aside from the duty I owe to my own district, above that which I owe to the State of Kentucky, which produces nearly two-fifths of the tobacco grown in this country, above that which I owe to the interest of a section, I place the obligation which rests upon me, as one of the representatives of the whole people to advance the interests of a production second only in importance among the products of our soil.

In the argument which I propose to make I will not speak simply of the benefits to be conferred upon the producer, though gentlemen will certainly admit that he should receive due recompense for his toil; nor shall I speak solely in behalf of the manufacturer, whose capital is invested in this production. On the contrary, I am desirous that the interests of the whole people shall be subserved by legislation which should tend to increase the production and at the same time guard the interest of manufacturers.

The tobacco interest is one of those which should receive the most careful consideration of the Government. Its productions should not

be hampered by unjust exactions. Its extent; the millions who derive from its growth, manufacture, and sale their entire support; the large income which it produces to the Government; its capacity for large increase beyond the present revenue, all combine to confer upon it such importance as to demand that, instead of being treated as a purely revenue plant it should receive the most judicious and partial legislation. It is a vast industry, giving food and shelter to millions of men, women, and children engaged in its culture and manufactures. In its great importance to commerce, to the growth and prosperity of the country, it is second in importance only to the cotton crop, and in view of this fact it is the bounden duty of the Government in dealing with this mighty source of revenue to see that its rate of taxation is the lowest which will least disturb its production and consumption.

It is estimated that in 1876 the tobacco crop amounted to three hundred and eighty-one million pounds. This vast quantity, however, furnishes no guide whereby to measure the possible production, for in 1860 the crop amounted to four hundred and thirty-four million pounds. The report for 1877, of the Commissioner of Internal Revenue, assuming to congratulate the Government upon the results of the existing law in relation to tobacco, asserts that the amount of revenue from this source is, in round numbers, \$41,000,000.

I refer to this statement merely to show what the effect of the present system is. Upon all principles of political economy the quantity now produced should exceed that in 1860. We nevertheless find that the production has fallen off since 1860 to the extent of fifty-three million pounds. This establishes two propositions: first, that the general policy pursued by the Government toward the tobacco interest has since the war tended to check its growth, and, secondly, that it is an industry capable of extension far beyond its present limits.

The peculiar feature of the law upon which the commissioner felicitates himself is that which prevents the farmer from selling his product to other than a licensed dealer. To this he attributes the increased amount of revenue. He says:

These results are believed to be largely due to those provisions of law which were intended to give to the Government a general control over the movements of raw or leaf tobacco, regulating its sale, transfer, and shipment, and preventing its being sold for direct consumption without the payment of any tax, and in competition with manufactured and tax-paid tobacco, and in my opinion a continuance of those features of said law is necessary to maintain the present amount of receipts from said source.

Now, the truth is that this revenue has been produced from less than one hundred and ninety-five million pounds of tobacco, and estimating the crop of 1877 at four hundred million pounds it follows that this burden has been imposed on less than half the quantity produced and that the remainder has been consumed, sold without payment of tax, or exported. The effect of this is evident. At a rate of taxation of twenty-four cents per pound, or assuming that forty-one millions is the proper amount of revenue the crop should have produced, the industry has borne a double burden and a large portion of the crop has been driven from the factories which would otherwise have handled it, leaving the burden of taxation to be borne by the remaining portion.

My object in this connection is to refer to the amount of revenue derived from this industry for the purpose of showing how greatly it is to the interest of the Government to promote its production.

When you reflect, Mr. Speaker, upon the millions who derive support from this great product and upon the opportunities afforded by it for the investment of capital and the employment it gives to labor, that it furnishes two-fifths of the internal revenue of the Government; when you reflect upon the aid it extends to our shipping and internal commerce, you will deliberate well when the question is propounded, how can we foster this great industry?

As the culture of tobacco would in itself be a source of profit, its production must be increased but for the imposition of some burden or of some restriction which limits and checks its growth. The burden which does oppress it is that feature of our governmental system which provides for the collection of an excise tax. From the year 1817 until the adoption of the present system of internal taxation no such imposition had its place upon our statute-books. It is a measure which has at all times and in all countries been regarded with disfavor. On the only two occasions in our history when an excise law was adopted it was the outgrowth of a war which made an increase of revenue imperative. Only under such circumstances have the statesmen of this Government ever ventured to enact a law providing for the collection of an excise tax, and even under such circumstances it has met with such hostility as to provoke rebellion. Yet, Mr. Speaker, when you compare the features of those previous enactments with our existing law you will perceive how effort was made in them to avoid oppression of any industry or product, whereas within the past fifteen years the articles upon which this tax has been levied constitute the wealth, the life-blood of the country.

It is claimed that the same necessity which existed for the passage of the excise laws of 1791 and 1813 required the adoption of our present revenue system, and that the necessity still exists. With this question, at this time, I have nothing to do, but in calling your attention to the character of this system of taxation, to the unfavorable light in which it is regarded, to the fact that the producer now bears a burden which never before in our history was imposed upon him, I trust that I shall be able to show at least that if this system is to continue care should

be taken to prevent more injury to any industry than can be avoided. Above all must the law-maker avoid the destruction of any industry. If instead of the luxuries which once were the objects upon which our excise tax was imposed it be now necessary to tax the products of the soil, let it be done gently lest you blight and wither them.

I desire to call your attention to the following tabular statement which I take from the report submitted by Hon. J. R. TUCKER, and which is based upon the Commissioner's report for 1875:

Localities.	1867.	Actual in 1875.	Proper proportion in 1875.
Northeastern States.....	\$46,915,829 42	\$4,003,153 13	\$19,674,380
Middle States.....	95,082,021 95	24,120,642 29	39,808,589
Northwestern States.....	45,144,364 71	43,476,694 73	18,931,507
South Middle States.....	22,631,406 18	26,181,412 74	9,490,587
South cotton States.....	30,104,904 81	2,587,246 11	12,624,637
Pacific States.....	7,477,667 89	3,115,922 80	3,135,796
Total.....	247,356,194 96	103,485,073 80	103,665,496

From an examination of this table, it is evident, that what were deemed proper subjects for an excise tax in 1867 have since ceased to be so in a large degree. While the tax paid by the tobacco belt, which is more than one-fourth of the entire revenue derived under this law, has increased, that paid by every other section has decreased. Although the entire receipts are less than one-half of what they were in 1867 that proportion of decrease has not been uniformly distributed. New England pays but one-tenth of the amount she formerly did; the Middle States but one-fourth; the Northwest pays almost the same. The removal of the cotton tax has relieved very largely the Southern States, but of the decrease of \$144,000,000 the New England States and the Middle States receive or save the handsome sum of \$114,000,000. It is hardly necessary to say more than that in 1866 the revenue derived from the income tax alone was 19.64 of the whole revenue, whereas now it is nothing. This, in connection with the removal of the tax upon bank-checks, bills of exchange, and many articles of luxury, have conspired to transfer the burden of taxation from those objects hitherto regarded as fit subjects for the imposition of an excise tax to those which, prior to the inception of the existing law, were not regarded as liable to such imposition, and even then and in 1866 were not considered liable for the entire burden as they are now.

In order to illustrate the changes which have taken place since 1866: the following extract from Mr. TUCKER's elaborate report is presented,

In 1866 the revenue from the tobacco tax was 3.97 per cent. of the whole internal revenue. In 1876 it is more than 35 per cent. In 1866 the revenue from liquors, distilled and fermented, was 11.03 per cent. In 1876 it was over 50 per cent. In 1866 the revenue from the income tax was 19.64 per cent. of the whole revenue. In 1876 it is nothing.

This illustrates that the purpose of the law is changed, that it is unjust in its exactions, and that whatever necessity may exist for an excise law there is none for the excessive burden which has been placed upon tobacco. While the letter of the Constitution may not be violated by such discrimination against a section as this, it is violated in spirit, and this is the more unjust as those who can least bear the burden suffer under its imposition, and those for whom a people's woes have created wealth are relieved therefrom.

When such a discrimination is made against a staple production it is a proper subject for inquiry whether it should be classed with those articles which are generally selected to create a revenue through the taxes imposed upon them.

Only upon the presumption that tobacco is purely a luxury could it be so regarded. So far is this from being true that it is used to-day by two-thirds of the men of this country, and it would be illogical to speak of that which was so universally used by all classes alike only as a luxury. To quote the language of Mr. TUCKER, "Nothing can be called a luxury which supplies human want among all classes." The burden laid upon it should be the lightest that can be with justice to the revenue. The question should not be how large a tax will it bear, but how small a tax can be imposed upon it? While it is largely used by the wealthy it is also often the only solace of the poor man.

I assert, therefore, that, being to such an extent an article of everyday and universal consumption, and being an interest the development of which is of so much moment to our people and to the Government, it is our duty now to decide how we can best foster it, and in making the decision direct our efforts toward the solution of the question, how in justice to the other interests of this country can we best promote the interests of the producer, the manufacturer, the consumer, and the Government?

Mr. Speaker, I will answer that question, not in the interest of my constituents alone, but in a spirit which I trust is that of an American; and I shall say, and I hope that gentlemen will agree with me, that the tax on tobacco should be reduced and the restrictions upon its sale removed.

The features of the law of which the producer complains are two in number:

First. That which recognizes the payment of the specific tax of twenty-four cents per pound on manufactured tobacco.

Second. The restriction set forth in article 6, section 3244 of the Revised Statutes of the United States, which reads as follows:

Dealers in leaf-tobacco, except retail dealers in leaf-tobacco, as hereinafter defined, shall pay 25. Every person shall be regarded as a dealer in leaf-tobacco whose business it is, for himself or on commission, to sell, or offer for sale, or consign for sale on commission, leaf-tobacco; and payment of a special tax as dealer in tobacco, manufacturer of tobacco, manufacturer of cigars, or any other special tax, shall not exempt any person dealing in leaf-tobacco from the payment of the special tax therefor hereby required. But no farmer or planter shall be required to pay a special tax as a dealer in leaf-tobacco for selling tobacco of his own production, or tobacco received by him as rent from tenants who have produced the same on his land: *Provided*, That nothing in this section shall be construed to exempt from a special tax any farmer or planter who, by peddling or otherwise, sells leaf-tobacco at retail directly to consumers, or who sells or assigns, consigns, transfers, or disposes of to persons other than those who have paid a special tax as leaf-dealers or manufacturers of tobacco, snuff, or cigars, or to persons purchasing leaf-tobacco for export.

Dealers in leaf-tobacco shall sell only to other dealers who have paid a special tax as such, and to manufacturers of tobacco, snuff, or cigars, and to such persons as are known to be purchasers of leaf-tobacco for export.

The producer objects to the payment of the tax prescribed because of its disproportion to the value of the raw material, the average value of the latter being about six cents per pound, and the tax being twenty-four cents per pound, equivalent to four hundred per cent. on the raw material.

The producer has the same right to complain of this heavy burden as the consumer at large, for he is himself a consumer. But he has a right above and beyond this in the depreciation in value of his product. Whenever the tax raises the price of the manufactured article to a point where the demand for consumption would fall off, the selling price must be kept at a point where a loss would fall on the manufacturer, and this loss must be shared by the producer. The real value of this article is the price which is paid to the producer and the cost of manufacture with the legitimate profit thereon. When the tax is added to this amount a new and fictitious value is imparted to it, which must lead to a decrease of the value of the raw material in the hands of the producer. Under these circumstances it is folly to say that the producer is not affected by this tax.

The restriction contained in section 3244, depriving the producer of the right to sell to other than licensed dealers, is, to say the least, of doubtful constitutionality. According to its provisions, the small planter is absolutely prohibited in a large number of cases from selling or otherwise disposing of the fruits of his own labor, grown on his own soil. Under its provisions every person is regarded and taxed as a retail dealer, who is defined by the law, to be one who sells leaf-tobacco in quantities less than an original hoghead, case, or bale, or who makes a single sale of any quantity whatever, directly to consumers, or to persons other than dealers in leaf-tobacco who have paid a special tax as such, or to manufacturers of tobacco, snuff, or cigars who have paid the special tax, or to persons who purchase in original packages for export. In order to secure the privilege of selling his crop or any part thereof to any other than the three classes of persons specified in the act, the planter is required to pay to the Government a special tax of \$500, and should his annual sales exceed \$1,000, he must pay in addition fifty cents for every dollar of his sales in excess of \$1,000.

A single line in the statute prohibiting the farmer under a heavy penalty from selling the product of his labor to anybody except retail dealers, manufacturers, or exporters, would have been no more unjust or oppressive than this long and complicated provision; in fact, it would have been less oppressive, because it would have been easily understood, and the cultivator of the soil, unlearned in the mysteries and intricacies of the law, and especially unused to the interpretation of the revenue officers, would not be likely to become entangled by the obscure language of the act, thus inadvertently subjecting himself to the heavy penalties prescribed in the act. What constitutional right has Congress either directly or indirectly to prohibit the cultivator and owner of an agricultural product from selling it in the open market to anybody who will pay him the best price for it? What constitutional right has Congress directly or indirectly to declare that he shall not sell it at all? For that is the practical effect of this statute in a large number of cases. If the farmers' crop is so small that the expense of transporting it by the ordinary means to the nearest authorized market exceeds the value of the product, which is the case in many instances, he cannot sell at all without violating the law and incurring the numerous penalties therefor. In the exercise of its constitutional authority to lay and collect taxes, duties, imposts, and excises, it is not denied that Congress may establish and enforce very stringent rules and regulations to prevent evasions of its enactments, to punish frauds, and to secure a faithful collection of the revenue; but it seems to me very clear that it has no power to enact sumptuary laws in order to compel the citizen to put his property in a taxable form, and to compel other citizens to use the taxed article or to use none. The avowed object and practical effect of the statute under consideration is to prohibit the sale of leaf-tobacco for consumption, and thus compel the whole of that product to go through a certain process before it is used by the people, a process which subjects it to a heavy rate of taxation. If Congress can constitutionally do this, it can also, in order to raise revenue by the imposition of tariff duties, provide, either directly or indirectly, that the people should consume none but imported articles. This might be effectually done in the same way that it has undertaken by this statute to enforce the consumption of none

but manufactured tobacco; that is, by the imposition of such a tax upon all sales of articles, grown or manufactured in this country, that it would be impossible for our domestic producers to enter the market at all. This would undoubtedly increase our importations and add very largely to our revenue. But it will scarcely be contended, I think, that this consideration would make such a law either expedient or constitutional.

Congress has imposed a heavy tax upon spirits distilled from grain and fruits, and derives a large annual revenue from that source. What would be thought of the constitutionality of a statute requiring the producers of corn, wheat, rye, barley, apples, peaches, and grapes, to pay an annual tax of \$500 to the Government in order to secure the privilege of selling these articles to persons other than distillers, retail dealers, and exporters? The whole country from Maine to California would cry out against it with one voice; and yet the principle involved here is precisely the same in every respect as to all these products. I do not desire to appear as the special advocate of a manufacturing interest clamoring for a reduction, but I am not able to see why the interest of the producer and the manufacturer should not go hand in hand. There is certainly no necessary antagonism between the manufacturer of limited capital and the producer. Whatever will operate to the detriment of the one must prove disadvantageous to the other. The producer is dependent to a certain extent upon the manufacturer for a market for his crop. The manufacturer is dependent upon the producer for the raw material. I certainly do desire to appear as the representative of a constituency who ask that all restrictions upon the sale of the raw product shall be removed, and that any provision of law which restricts the sale of the natural leaf shall be repealed.

An American Congress should certainly not deny to the farmers of this country the right to sell any product raised upon their own soil to whomsoever they please. A reduction of the tax will benefit the producer and manufacturer as well as the consumer and the Government.

Low taxes will be followed by increased consumption. The increased demand following thereupon will enhance the value of the staple to the producer. The present ruinous system has excluded large numbers of independent buyers from the field. Competition among the purchasers having been thus destroyed, the producer is left at the mercy of a few large manufacturers and monopolists. To this fact may be ascribed the opposition of a few large eastern manufacturers. It is in the power of the latter to control the price of the raw material, and this power they use, so that all the profit which would result to the producer from having a large number of buyers competing for his crop goes into the hands of the large manufacturers. Restore this competition by removing the existing restriction, and you enable the producer to secure the highest price which the market will allow for his wares. If there be united with this relief such reduction of the tax as will lead to increased consumption, the value of the raw material will be at once enhanced, thereby directly benefiting the producer and indirectly the Government, of which he is a citizen. The increased production would open up new fields of labor, wherein those who are now unemployed would find work at remunerative prices. Instead of the falling off in the number of factories, which has accompanied the increase of taxation, a fresh impulse would be given to manufactures; new factories would rise throughout the land; legitimate doors would be opened for the investment of capital; labor, instead of being the drug it now is, would be in large demand; the competition between the dealers and between the manufacturers respectively would reduce the price of the manufactured article, and thereby increase its consumption.

Further, the manufacturer would be directly benefited by the effect the reduction of this tax would have on the illicit trade in tobacco. The motive to wrong-doing would be wanting. The whole people would condemn as a crime violations of the revenue law. Remove the thorn which this illicit trade has planted in the side of legitimate business, (and it will be removed if you reduce this tax,) and from the increased prosperity of the planting and manufacturing interest, from the new factories which will spring up, from the wealth which hands now idle will produce, from the increased consumption and exportation of the manufactured article, the entire country will learn that the interests of the producer and the manufacturer are identical, and that the injury which strikes down the one cripples the other. In no way will the manufacturer be benefited by the provisions of a law which deprives the producer of the legitimate profits of his labor.

There are men who, in times when a nation is struggling in the throes of starvation, can rejoice that the price of food has become such, that the quantity they, with their keen business foresight, have stored up will bring what they choose to demand for it; for the scarcity that has brought this about they can thank God.

So, also, are there men who will rejoice at the existence of a law which, oppressing the producer and consumer, and preventing due production, will likewise rejoice at a failure or falling off of a crop which makes their accumulated wares more valuable, even though poverty and distress are the meed of those struck by the calamitous blow.

Such men, such manufacturers as these, whose country is their bank account, whose hearts are the hearts of Shylocks, have no identity of interest with either the legitimate manufacturer or the pro-

ducer of the staple. When, Mr. Speaker, you find a tobacco manufacturer who opposes the reduction of this tax, you will also find an enemy to this great industry. Outside of this class, however, you will find the manufacturer of limited capital and the producer walking hand in hand. You will find them asking this Government to promote the culture of this great staple by such legislation as shall encourage its growth and at the same time sweep away the barriers within which the monopolists have hedged themselves.

I do not think that it requires any argument to show that if the consumer can purchase that which he must have for an amount proportionate to the value of the article which he buys that he is benefited thereby. In order, however, to cement this union of interest of the producer, manufacturer, and consumer, it is proper that one of the most extravagant features of the whole system should be done away with. Assuming that it is a luxury, it exists in various forms, and between that enjoyed by the man of wealth and that of the poor man who uses the lowest grade and yet pays the same amount of tax on it the margin is wide. More than this, it may be safe to assume that over half of the entire amount of tax paid upon tobacco in this country is paid by men whose annual income is under \$500.

The very poorest classes pay the highest percentage of tax in proportion to the cost of the raw material. The commonest smoking-tobacco, which is made entirely of stems flattened and cut, is taxed twenty-four cents a pound. This sells for about twenty-eight cents, and the total is made up as follows: Cost of stems one-fourth cent per pound, tax twenty-four cents, cost of manufacturing one-half cent per pound, profit of manufacturer two and three-fourth cents per pound; making nearly 10,000 per cent. tax on the cost of the raw material. Western stemmers, who formerly got from one to one and a half cents per pound for their stems, now throw them away, as they do not pay for prizing—throwing away twenty thousand pounds of stems out of nearly one hundred thousand pounds of the tobacco they buy. If they got something for their stems they could pay the planter more for his crop. On the next grade the tax is still twenty-four cents on stock costing two or three cents, a percentage of 1,200 or 800. The monarchies of Europe do not lay so heavy a burden on tobacco as this Government is doing. The tax realized last year was about \$41,000,000. England and France, with a debt each of about \$4,000,000,000, realize from tobacco about \$35,000,000, Spain about \$27,000,000, Italy \$30,000,000; and in order to realize this revenue these countries manufacture all the tobacco consumed, in their own government factories. If a fair manufacturer's profit be added to the \$41,000,000 of taxes realized from this staple in the United States it can easily be seen what a burden the consumer has to bear, and it is not unnatural that he should seek to evade it in every possible way, using the natural leaf, &c., thereby decreasing the revenue.

The import duty on licorice should be abolished. This article is used almost exclusively on tobacco. This would create an outlet for export in competition with Canadian manufacturers, who have free licorice, and thereby give a fresh impetus to the trade. It looks excessive to levy a duty of 10 cents a pound on this licorice, to put it on tobacco and tax it 24 cents again.

Mr. Whitehead, of Virginia, speaking upon this point in the House of Representatives, (page 557, CONGRESSIONAL RECORD, Forty-third Congress,) says:

The effect of this internal-revenue law has been to drive the manufacture of tobacco into Canada, and a great deal of the manufactured article I believe is smuggled across the line into Michigan, thereby underselling the men who manufacture tobacco in this country. In Canada there is no tax upon tobacco, nor upon the sugar, licorice, or rum which enter into its manufacture; there is entire exemption in favor of tobacco by the laws. These men from Canada come into our State every summer and buy tobacco for the purpose of shipping it to Canada for manufacture. One-half of 1 per cent. is deducted as internal-revenue tax, when the bills are made out, and that tax is paid by the farmer who raises the tobacco, and not by the buyer in Canada, who purchases it for shipment. The Canadian manufacturer carries it to Canada without taxes. The result is that the Canadian manufacturer has, in effect, driven us from the markets of Mexico, and of the West Indies, and almost everywhere else in the world.

I come now to the last proposition I have enunciated, which is, that the Government and the whole people will be benefited by the reduction of this tax. Regarded purely as a question of revenue, the Government will derive direct benefit in an increase of revenue. This is upon the principle, to use again the language of Mr. TUCKER in his report, that "when an increase of rate decreases revenue it shows that the rate of maximum revenue is passed; because with every increase of tax there will be an increase of revenue until the maximum revenue point is reached, and after that an increase of rate will diminish revenue." That point has already been reached, and this is demonstrated unerringly by the reports of the Commissioner of Internal Revenue, upon which the following statements are based:

Estimated total for 1876, at 24 cents.....	\$21,123,619 14
Average annual total to March, 1875, at 20 cents.....	23,164,005 24
January and February, 1874, tax 32 cents.....	3,815,145 00
January and February, 1875, tax 20 cents.....	4,927,705 00

Again:

For 1875, for eight months, at 20 cents.....	\$19,730,076 32
For twelve months, same rate.....	29,580,114 48

Compare this with—

Revenue for 1876, nine months, at 24 cents.....	19,012,107 14
Revenue for twelve months, at same rate.....	25,349,476 20

Showing a difference in favor of the rate of 20 cents of..... 4,230,638 28

Again the Danville market furnishes us with additional proof:

At 20 cents in January and February, 1874.....	\$3,815,145 00
At 20 cents in January and February, 1875.....	4,927,705 00
Increase	1,112,560 00

Showing an increase of revenue. But observe the next change which followed almost immediately the increase of the rate:

October 1 to March 1, 1874, at 20 cents.....	\$390,174 30
October 1 to March 1, 1875, at 24 cents.....	341,134 75
Decrease.....	48,989 55

These tables, for the use of which I am indebted to the report of Hon. Mr. TUCKER, amply sustain the position I have taken; but there is corroborative evidence in another quarter, furnished by the reports of the Commissioner, which I shall present for two purposes, one to show that the revenue is decreased by the existing tax, the other that this policy is driving dealers, and hence competition, from our markets:

From dealers in leaf-tobacco, year ended June 30, 1877.....	\$97,422 49
From dealers in leaf-tobacco, year ended June 30, 1876.....	112,962 96

Decrease..... 15,540 47

From dealers in manufactured tobacco, year ended June 30, 1877.....	\$1,595,225 40
From dealers in manufactured tobacco, year ended June 30, 1876.....	1,616,318 85

Decrease..... 21,093 45

The amount of decrease from dealers in leaf-tobacco is \$15,540.47. Each of this class of dealers pays a special tax of \$25, and this decrease represents, therefore, the withdrawal from business of six hundred and twenty-one dealers in leaf-tobacco.

The amount of decrease from dealers in manufactured tobacco is \$21,093.45. Each of this class of dealers pays a special tax of \$5, and this decrease, therefore, represents the withdrawal from business of forty-two hundred and eight dealers in manufactured tobacco.

Combine the two and it is shown that in a single year forty-eight hundred and twenty-eight dealers in both branches withdrew from the trade.

It becomes evident from an examination of the above tables that the effect of the present tax is to decrease the revenue and to paralyze trade. It is equally apparent that if we reduce the tax within proper bounds an increase of revenue will follow and fresh vitality will be given to trade and commerce.

Since these statistics, however, have demonstrated that tobacco at the periods named was capable of supporting a tax of twenty cents per pound, I may be asked why we ask a reduction below that point; and to that question I shall make two brief replies:

One that twenty cents in 1874 was of far less value in 1874 than it is to-day. Contraction of the currency has done its work, and that article which could have borne the burden of a tax in 1874 of twenty cents could with difficulty support the payment of a tax of sixteen cents to-day.

My second reply is that, if sixteen cents to-day be the equivalent of twenty cents in 1874, it is nevertheless unjust and oppressive, this staple not being purely a revenue plant, to tax it to the utmost extent of its capacity while you leave untaxed the possessions and luxuries of the non-producers of material wealth.

So much for the direct benefits which the Government receives. Its indirect benefits are far greater. The accumulations of the producer and the manufacturer are its mines of wealth and prosperity. To these material industries governments owe their stability, and to the accumulations produced by them they owe their progress and power. With the necessity upon us to increase our foreign exports, that our land may not be drained of its gold; with the necessity existing that new avenues should be opened to unemployed labor; with the necessity before us that this terrible financial paralysis should be overcome, and safe opportunities afforded for investment of the capital that now lies hoarded up in the vaults of the non-producers; with the necessity to stimulate our internal commerce urging us to progressive legislation, we are appealed to to remove the yoke from the neck of this great industry. It has been shown that the existing tax is injurious to all connected in any manner with tobacco, except a few monopolists who have conspired to drive legitimate trade from our midst. It has been shown that the reduction of the tax will injure no person except the monopolist—no interest, either of individuals or of the Government. But beyond the merits of this appeal, as a question of policy, made by the toiling producer, there is involved in it a right, that justice shall be done to the overburdened people of one section of this great country, which to all fairminded men—to all patriots must be irresistible.

In conclusion I may be permitted to say that while I have the honor to represent on this floor a district more largely engaged in the production of tobacco than any other equal area in the United States, and while I desire most earnestly to see the farmers of my district and the whole tobacco-producing belt relieved from any restrictions upon the sale of their product, I nevertheless have attempted to discuss the whole question of the tobacco tax, in a spirit of fairness to every interest involved, endeavoring to do justice to the farmer, the manufacturer, the consumer, and the Government.

Mr. HEWITT, of New York, addressed the House. [His remarks will appear in the Appendix.]

JUSTICE TO THE DEBTOR AS WELL AS THE CREDITOR.

Mr. HAYES. Mr. Speaker, I have not trespassed upon the time of this House very often since I became a member of it, nor do I intend to occupy its time very often in the future. On this occasion, however, I ask indulgence while I say a few things which have come into my mind in regard to the question pertaining to our national finances. I am aware that much has already been said on this question. It has been discussed with signal ability and in all its various phases, both in the public press, on the stump, in the halls of legislation, and even in the pulpit; and it would seem that discussion, having taken such a wide range and having drawn into its arena so many able men, would have settled the question long before this. But, Mr. Speaker, the question is one of such vast magnitude, of such profound depth, and of such intricate and varied ramifications that even those who have given it the most thought and have studied it the most carefully have come to widely different conclusions and to-day hold a variety of views as to what the financial policy of a great nation like ours should be. This variety of opinion has resulted in much bitter controversy, and while from some it has called forth much of sound reasoning and profound argument, from others it has called forth much of bitter invective and despicable sophistry, unworthy both of those who indulge in them and the cause which they advocate.

Far too many, in their zeal as champions of some peculiar idea, have allowed passion to usurp the place of reason, and instead of bringing forward facts to fortify their own positions or arguments to overwhelm and break down those of their opponents, they have contented themselves with heaping the most shameful abuse upon all those who happened to differ from them on this great question. Now, Mr. Speaker, I regret exceedingly that this discussion has been allowed to drift into such a vile channel of personal abuse and bitter denunciation. This great financial question is a question about which there may be an honest difference of opinion. Because one person's investigations have led him to a conclusion different from that arrived at by another is no reason why the one should abuse the other or denounce him as a villain, a swindler, or a robber, a thing which has been done frequently in this discussion.

In dealing with this question we should bear in mind that those who differ from us are just as honest, just as patriotic, and just as anxious to preserve the good name of the Republic as we are. The men of the East should not forget the fact that the men of the West are as conscientious in their actions and as sincere in their efforts to promote the national welfare as they are, while the men of the West should not fail to give credit to the men of the East for being actuated by the same honorable motives and noble purposes which they claim actuate them. The fact is, this question is neither a sectional nor a party question. It is a question that rises above both section and party, and should be discussed without passion, without party bitterness, and without sectional prejudice. A question so far-reaching in its influence and so intimately related to the happiness and prosperity of all classes of our people should be discussed only from the stand-point of genuine patriotism and true statesmanship and with an honest desire to know and to do that, and that only, which is best for the whole country.

LET US HAVE THE OLD SILVER DOLLAR.

Now, Mr. Speaker, at the very beginning of my remarks, I desire to say that I am in favor of restoring the old silver dollar of 412½ grains, nine-tenths fine, to the position which it occupied prior to 1873. By this I mean that I desire not only to see the old silver dollar put in circulation without limit as to quantity, but I desire to see it made a full legal tender for all debts in all amounts. In saying this I not only give expression to my own views, but to the views of almost the entire population of the great West. The western people to-day are absolutely a unit in demanding the remonetization of silver. In fact, not only from the West, but from all parts of the country, except those portions which pay worship to Wall Street and are under its influence, comes up the demand for the restoration of the silver dollar to the place which it formerly occupied. So earnest and wide-spread is this demand that I believe if put to a vote to-morrow two-thirds of the people of this nation would cast their ballots in favor of remonetizing silver.

Certain gentlemen on this floor may think this an exaggerated statement, but I believe it to be true. The people are fully awake in regard to this matter. They feel that their rights were most shamefully disregarded when the act of 1873 was passed, and now they ask that their rights be respected by a repeal of that act. Shall this thing be done? Will the members of this Congress wake up to the demand of the people? If they do not, the people will be apt to wake them up at the next congressional election in a manner that may not be altogether pleasing to them; and when once they are awakened, get their eyes fairly open, and look around, it will be only to discover that the people have passed on and left them in the rear to mourn over the uncertainty of all human affairs with nothing to comfort them but the bitter thought of what might have been.

THE CHIEF REASON FOR USING THE DOUBLE STANDARD.

Now, Mr. Speaker, in discussing this question, it may not be out of place to consider for a moment one or two of the more important reasons which have led to such a general use of both gold and silver as money, or, in other words, which have led to the use of the bi-metallic standard. It is a fact well known to all who have studied carefully the money question that the general judgment and prac-

tice of nearly all nations, in all times, have been in favor of using both of these metals as money at the same time and on an equal footing. There may have been an individual nation now and then which, for some peculiar reason, may for a short period have used but one of these metals, but instances of this kind are so few and unimportant that it may be said with truth that the nations of the world in all historic times have been practically a unit in this matter. Now, sir, what has led to this remarkable unanimity in regard to so important a matter as this?

One of the chief reasons is that the two metals when used together furnish a standard which is not liable to such frequent and violent fluctuations as is the standard furnished by either of the metals when used alone. Money is a measure of values as well as a medium of exchange. It is that with which all other values are compared. Hence stability is one of its essential features. The common good demands that in selecting a measure of values that measure be selected which, while it possesses certain other essentials, at the same time approaches as nearly as possible to absolute stability. Of course, absolute stability in a monetary measure of values has never yet been obtained and probably never will be. Gold and silver even are liable to fluctuate for the reason that they are commodities as well as money and will, of necessity, vary somewhat in value, according to the cost and amount of production. But the experience of the world has demonstrated that these metals are the least liable to fluctuate of all known substances which are produced in sufficient quantities to supply the world with money, and which at the same time possess those qualities that make them desirable for use as money. More than this may be said of them. When used together they furnish a standard more nearly perfect than when used singly. As is well stated in Senator JONES's silver commission report:

The fluctuations in the aggregate current supply of the two metals are less frequent and less violent than are the fluctuations in the supply of either metal, and consequently the fluctuations in the value of the two, used together as money under the double standard, are fewer in number and less in degree than would be the fluctuations in the value of either of them.

WHY WE SHOULD USE SILVER AS MONEY.

Now, Mr. Speaker, passing by other general reasons which might be given in favor of using the double standard and simply referring to the fact that silver possesses all the fitness for money that gold has, that it possesses the same necessary qualities of indestructibility, divisibility, resistance to chemical changes, &c., I come to consider some of the reasons why we in this country should use silver for money upon the same footing that we are now using gold. When Hamilton and Jefferson devised the American system of finance they fully appreciated the necessity of having a measure of values which should be as nearly constant and invariable as it was possible to obtain. They recognized, what the experience of other nations had unquestionably demonstrated, that such a measure of values could only be secured by means of the double metallic standard.

Hence they gave us both gold and silver as money, each placed under the same restrictions and endowed with the same privileges as the other, and each equal to the other in all respects before the law. The system they established worked most admirably and gave general satisfaction. Not only was it indorsed by the people of their own time, but by our people generally from that time down to 1873. For the period of eighty years the two coins wrought side by side, and I challenge any one to prove that the silver coin did not perform its work and fulfill its mission as well as gold in every respect. Under the readjustment that was made in 1834, gold fell below silver, and silver left the country. For forty years gold continued the cheaper coin; and in 1873, at the time the bill was passed demonetizing silver, it was worth only about ninety-seven cents on the dollar as compared with silver. Now, sir, during all these years did any one find fault with either of these coins? Did any one propose to strike one of them down because for a time it happened to be cheaper than the other? Not at all.

On the contrary, there was general satisfaction with both of them. Our people bought and sold as freely as they do now. Contracts were made and debts paid always in the cheaper coin. As late as 1873 the man who was owing a thousand dollars would pay in gold at a discount of 3 per cent., and no one thought of objecting to it or denouncing it as dishonesty, robbery, or a violation of contract. In fact, the cheaper of the two coins was always used to pay debts from the time our financial system went into operation up to 1873, and the transaction was never considered as any other than fair and just. So abundantly satisfied were the people with the double standard that they felt indignant when two or three years after the passage of the act of 1873 it was discovered that silver had been demonetized. Had they been advised beforehand of what it was proposed to do they would have sent up such a strong and determined protest that no member of Congress who had any regard for their wishes would have dared to vote in favor of such demonetization.

Indeed, I am thoroughly convinced that if the matter had been clearly understood many members of Congress who voted for the measure would have voted against it. The truth is that this whole scheme was devised and manipulated in such a skillful manner as to deceive many members of Congress who were strong friends of the silver dollar. How readily such deception could have been practiced any one can see by looking over the act of February 12, 1873. That act was gotten up with the design of regulating the details of the

Mint. It was an act of extreme length, containing no less than sixty-seven sections. Being favorably reported to the House by the committee, many members preferred to take what the committee said in favor of it rather than to read it through and ascertain for themselves what it contained. Under these circumstances it was easy to accomplish what the enemies of the silver dollar desired. In one part of the measure they introduced a section, which reads as follows:

The silver coins of the United States shall be a trade-dollar, a half-dollar or fifty-cent piece, a quarter of a dollar or twenty-five-cent piece, a dime or ten-cent piece; and the weight of the trade-dollar shall be 420 grains troy; the weight of the half-dollar shall be twelve grams (grammes) and one-half of a gram, (gramme); and the quarter of a dollar and the dime shall be respectively one-half and one-fifth of the weight of said half-dollar; and said coins shall be a legal tender at their nominal value for any amount not exceeding \$5 in any one payment.

While in another part of the measure they introduced a section which contains these words:

No coins, either of gold, silver, or minor coinage, shall hereafter be issued from the Mint other than those of the denominations, standards, and weights herein set forth.

Now, Mr. Speaker, I claim that there was method in all this. It was a trick to deceive, and it did deceive. It will be observed that nothing is said about the old silver dollar in either of the above sections. The name of that coin is studiously omitted, and no one would imagine, unless he studied the act carefully, that the silver dollar was in any way affected by it. Thus it was that many members of Congress were led to vote for the measure who deeply regretted their action as soon as they discovered what they had done. Now, sir, as the old silver dollar was taken away from the people by a trick and without their knowledge or consent, and as they now demand its restoration to its former place among our coins, I claim that this Congress should heed their demand and at once pass a law making that dollar a legal tender and providing for its coinage.

A SILVER-PRODUCING NATION.

But, Mr. Speaker, there is another reason why we should remonetize silver. This country is the great silver-producing country of the world. Mr. JONES, in his report, says that—

It is the mines of the United States which have furnished the entire increase of silver which has occurred since 1860, and it is from these mines only, according to all appearances, that this increase can be maintained, or carried to still higher figures.

Some idea can be formed of the immense quantity of silver this country produces when it is remembered that during the five years ending with 1875 the annual yield was nearly \$24,000,000. During the two years ending with 1877 the annual production was somewhat larger than this, so that during these seven years beginning with 1870 our mines yielded us an aggregate of \$168,000,000. Notwithstanding this immense yield our mines are far from being exhausted, and the prospect is that the coming seven years will witness as large a yield as that of the seven years just past. Being the producers of such large quantities of this metal, would it not be sound policy to utilize it in every way we can and thus secure from it the greatest possible good?

This is the policy we adopt in regard to every other product of our mines, and why not adopt it in regard to this? Every new use which we can discover for any commodity tends to enhance its value. Silver is no exception to this general rule. Multiply its uses, and not only do we add to its value, but we add to our own wealth as a nation. But more than this is true. As we increase the value of silver we enlarge the field of labor. The higher price silver brings in the market the more eagerly will men flock to our mines to obtain it, and the more richly will they be rewarded for their toil in digging it. Once remonetize it, and we not only stimulate labor at the mines, but we give labor to hundreds and thousands of men in shipping the raw material to the mints, in smelting it and making it into coin, in furnishing fuel and other things necessary to keep the mints running, and in a variety of other ways which will readily suggest themselves to every one. Thus, remonetizing silver will prove a direct blessing to a large number of our day laborers as well as making us richer every year as a nation.

Under these circumstances, Mr. Speaker, it would be absolute folly to cast our silver away in the future as we are now doing and to say that it shall not be used as money on an equal footing with gold. Talk as we will, certain nations of the world must of necessity use silver as money. No one will claim that it would be wise to attempt to do the business of the world with gold alone. Why, sir, according to the most reliable estimates the total stock of gold in the world in 1875, including coin, bars, plate, &c., amounted to only \$6,000,000,000. The total stock of silver at the same time was estimated at only \$5,500,000,000. Now if we suppose that one-half of these two metals is used as money, we have as the money of the world the sum of \$5,750,000,000. This amount, if taken from gold alone, would consume nearly the entire stock in existence. Does any thoughtful man need any hint as to what the effect of such a move would be?

Why, sir, gold would go up and up until it reached fabulous prices, while everything else would depreciate accordingly. As gold increased in value, property and labor would decrease, and the result would be that the rich would gradually become richer and the poor poorer, until at last all property would pass into the hands of the few, and the masses would be reduced to a state of vassalage worse than that of the dark ages. Now, sir, are we, in this large silver-producing nation, ready or willing to help forward this sort of thing? Is not labor

already sufficiently oppressed in our land? Would it not be wisdom in us to lay aside all sectional differences and party feeling, come together as friends of the public good, and do what we can to assist, encourage, and protect the laboring classes rather than to heap additional burdens upon them? I ask members to pause and consider the matter well before they give their vote against the old silver dollar.

NO FEARS OF A SURPLUS OF SILVER.

But, Mr. Speaker, I wish now to notice some of the objections which are urged against remonetizing silver. One of the chief objections, and one that is given a prominent position in all the speeches of the gold men, is that silver is so abundant in the world that, if we remonetize it it will flow in upon us in such vast quantities as to overstock our market and thus make our silver coin comparatively worthless. Now, Mr. Speaker, I am surprised that any class of men, possessing the ability and general intelligence which these men possess, should attempt to break down the silver cause by such a weak and groundless argument. The very fact that they seek to weaken the cause of their opponents by bringing forward such flimsy and trifling objections shows not only the weakness of their cause, but also the desperate straits to which they are reduced in order to find some means by which they may be able to bolster it up. No man who has taken the trouble to post himself as to the amount of silver in the world which would be likely to be thrown upon our market in case we should remonetize it has any fears of an overstocked market. How much silver would we probably want in case we should remonetize it? Of course, this is to a great extent a matter of conjecture. If we resume specie payments, we shall need a vast quantity. Mr. D. A. Wells, who is an advocate of the single gold standard, but who believes that "silver, after the full action of our mints, would be restored to about par with gold," estimates that we will require not less than \$300,000,000. If this be so—and I am of the opinion that this is a fair estimate—where is this vast quantity to come from? The gold advocates tell us that it is to come largely from the nations in Europe that have demonetized silver. Well, let us look and see. The only nations in Europe that have even partially demonetized silver and that would be likely to furnish any of that metal for our market are England, Germany, and France. Now, what can we expect from these nations? We certainly cannot expect any silver from England, for that nation, having adopted the single gold standard as far back as 1821, has none to spare. On the contrary, she is obliged to buy silver. Her subsidiary silver coin amounts to from \$80,000,000 to \$100,000,000. Besides, she has a large trade with China and Japan, and for this trade silver is a necessity. Hence, instead of shipping silver out of the country, she is obliged to go into the market and buy it for her own use.

France will certainly not have any surplus silver to dispose of. She has not demonetized silver, but only stopped coining it for a time. Every franc of silver coin which she now has she will need for her own use. Even if she had a surplus, she would scarcely ship it to us, for if we remonetize on the old basis of 16 to 1 our standard will be about 3 per cent. higher than hers, so that she, having a standard of 15½ to 1, in exchanging her silver for ours would, as Mr. Wells says, sustain a loss of 3 per cent. in addition to commissions and expenses which would be 2 per cent. more, making a total loss on the whole transaction of not less than 5 per cent. Under these circumstances, it is safe to conclude that we shall get no silver from France.

But how is it with Germany? It is true that this nation has

adopted the single gold standard, but silver still circulates there and will continue to circulate, as a sort of subsidiary coin, in quite large amounts. There are circulating in that country to-day about two hundred millions of this coin. Ever since the act of 1873 demonetizing silver the process of gathering up and converting the surplus silver coin into bullion has been going on. With such a process continued for over four and a half years it is fair to conclude that all the surplus coin has been gathered up, converted into bullion, and sold, except what is contained in the \$200,000,000 mentioned above. Now, no one will claim that Germany can spare all of this \$200,000,000. The law of 1873 which demonetized silver provided that silver should be coined to the amount of ten marks *per capita*. There is a fair prospect that this will be increased to fifteen marks *per capita*. If the limit is fixed at ten marks there will only be left of the two hundred millions about ninety millions yet to throw upon the market. If the limit is fixed at fifteen marks there will be left less than forty millions.

Of course the estimates made in regard to this matter vary considerably as to the amount. The British silver commission concluded that, at the date of their report, July 5, 1876, the amount would range anywhere from \$40,000,000 to \$100,000,000. Mr. D. A. Wells, in his recent discussion of the silver question, fixes the amount at \$80,000,000, and this doubtless is a fair estimate.

Now, Mr. Speaker, these three are the only European nations from whom we can expect any silver to supply our wants, and of these all that we can get comes from Germany, and that nation can only give us \$80,000,000. Thus this great bug-bear with which the gold men have been trying to frighten us has dwindled into absolute insignificance.

But, they say, there are the mines of the world; what about the quantity of silver which they yield? Well, let us look at the production of the mines and see if we have anything to fear from that source. The fairest and most reliable estimates on the subject place the annual yield of all the silver mines in the world at not over \$70,000,000. Now, it is estimated that about three-fifths of all the silver produced is used for plate, for ornaments, and in the arts. Let us put the proportion so used at one-half. That will give us for use as coin, each year, the sum of \$35,000,000. Now, Mr. Speaker, upon the supposition that all this \$35,000,000 comes to us, together with all the \$80,000,000 which Germany has to dispose of, does any one apprehend that our market will be glutted? It is said that with our present mint facilities we can coin about \$50,000,000 per year. If this be so, my opinion is that we can coin each year more than we can possibly obtain from any and all sources. In other words, I believe that the demand will be greater than the supply, and under such circumstances, why should any one fear an overstocked market or a depreciated silver currency?

But, Mr. Speaker, what I have said thus far has been said upon the supposition that all this silver, both from the mines and from Germany, will seek a market in this country. But, sir, such a supposition is not within the range of probability, or even possibility. There are other nations that are just as much in need of silver as we are, and that will offer for it just as good a market as we will. I ask the gold men, who talk so loudly about an overstocked market and a worthless silver currency, to study the following table, and see how large a proportion of the world's population use this metal as coin and how extensive the demand for it must be:

Distribution of gold, silver, and double currency throughout the world.

Nations using silver alone.	Population.	Nations using gold and silver.	Population.	Nations using gold alone.	Population.
Russia	87,000,000	Belgium	5,100,000	Great Britain	32,000,000
Austria	36,000,000	Bolivia	1,800,000	Canada	4,000,000
Central America	2,900,000	France	36,100,000	Australia	2,000,000
Ecuador	1,300,000	Greece	1,500,000	Portugal	4,250,000
China	425,000,000	Italy	26,800,000	Turkey in Europe and Asia	29,500,000
India	300,000,000	Spain	16,500,000	Persia	5,000,000
Mexico	9,000,000	Switzerland	2,700,000	Brazil	10,000,000
Peru	4,500,000	United States	45,000,000	Argentine Republic	1,800,000
United States of Colombia	2,700,000			German Empire	41,000,000
Tripoli	1,200,000			Sweden	4,250,000
Tunis	2,000,000			Denmark	1,800,000
Holland	3,700,000			Norway	1,750,000
Venezuela	1,400,000			Chili	2,100,000
Egypt	4,500,000				
Japan	33,000,000				
Total	914,200,000		135,500,000		139,450,000

It will be observed that I include the United States among the nations that use both gold and silver, and I do this because I consider it almost certain that we shall come back to the double standard in a very short time. Now, sir, when it is remembered that nearly every one of the nations mentioned in the above table which are designated as using gold alone actually uses a large amount of silver as subsidiary coin, we shall see that silver is a universal coin and is demanded to a greater or less extent by every nation on the globe. With this universal demand drawing the limited amount of silver dug from the mines each year in every conceivable direction

all over the earth, why should we have the slightest fear that our own market will be glutted?

But, there is another very important thing for us to consider in this connection, and that is the vast amount of silver that is demanded every year to meet the wants of the large Asiatic nations. Why, sir, it would seem from present indications that it would require more than the entire production of all the silver mines in the world to supply the demand of these nations alone. The immense quantity that they have required for the past few years is surprising. The Director of the United States Mint, in his report to the Secretary of

the Treasury for the fiscal year ending with June 30, 1877, says that "within the last twenty-two months the export of silver to the Eastern nations from London and San Francisco has amounted to \$143,500,000." Mr. J. Hector, deputy secretary of the Bank of Bengal, has recently estimated that British India absorbed \$20,000,000 of silver during the twenty years prior to June, 1875, in excess of her exports of that metal, or at the rate of \$41,000,000 per year. These figures give some idea of what an extensive market there has been for silver among the Asiatic nations.

But, notwithstanding the vast quantities that have been thrown upon the eastern market, that market has not been overstocked, but the price, as compared with other commodities, has rather more than held its own and is full as high to-day as it was in 1873. This fact is sufficient to show that there is still an open market there, and that the demand for silver is as great now as at any former time. In fact, we have every reason to believe that this demand will increase as the trade of those nations with the civilized portions of the world increases. There is certainly no prospect of this demand becoming any less in the near future. David A. Wells says that "at present the East seems to require annually at least \$50,000,000 of silver," and the concurrent testimony of all those who are in a position to know is to the effect that silver will find as ready a market in that portion of the world for years to come as it has in the years of the past. Speaking on this subject, the silver commissioners' report uses the following language:

That it [India] will continue to draw silver from the rest of the world rests upon the permanent conditions that it has no silver mines, while it abounds in commodities which command the precious metals, and has a vast population, industrious and rich, whose demand for silver for use as money is evidently increasing, and whose passion for both silver and gold for decoration, ornamentation, and personal adornment is proverbially universal.

Now, Mr. Speaker, if these Asiatic nations absorb \$50,000,000 per year, we have only \$20,000,000 out of the \$70,000,000 produced annually from the mines to supply the demand of all Europe, Africa, South and North America for silver coin; and that, too, on the supposition that the entire quantity is to be used as coin, and none for plate, for ornaments, or in the arts. In view of these facts and figures, it is certainly nonsensical for any person to talk about our market being overstocked and our silver coin being at a heavy discount, in case we should restore our silver coinage to the place which it formerly occupied.

THE CHARGE OF REPUDIATION.

Again, Mr. Speaker, the gold men are very much exercised for fear somebody is going to be cheated in case we remonetize silver. What! they exclaim in horrified tones, are you going to wrong the nation's creditors by paying them in a depreciated currency? Are you going to set yourselves up as a nation of swindlers and repudiators? Silver, they say, is worth in the market to-day as bullion only ninety-two cents on the dollar, and it would be an act of great injustice and wrong to compel our creditors to take coin made of such a depreciated metal in exchange for the bonds which they now hold. Now, these gentlemen, in talking about this matter, seem to forget one very important thing, and that is, that silver is worth just as much to-day, as far as its purchasing power is concerned, as it was in 1873, when the act demonetizing silver was passed. In spite of the unfavorable legislation of Congress, silver has not depreciated at all. Gold, being given a monopoly, has increased in value, and silver, as compared with that coin on the basis of the old coinage, is to-day at a discount of 8 per cent. But, sir, when compared with other commodities, silver has held its own, and its purchasing power to-day is as great as it was five years ago.

Speaking on this point, the report of Senator JONES's silver commission says:

In respect to the disturbance in the relative market value of the metals which followed the German demonetization of silver, it could be shown from a comparison of prices in silver in 1873 and 1877 that that metal has more than maintained its purchasing power over everything except gold. In 1873 sixty pence in gold would purchase an ounce of standard silver in London. In 1877 it only requires fifty-four pence to buy the same amount. It is within the knowledge of all that fifty-four pence will now buy, in England or in any other country, more real estate, more labor, and more of the general commodities which the world deals in, except silver, than sixty pence would in 1873. The exchangeable value of an ounce of standard silver is therefore greater than it was four years ago.

But we need not rely on the silver commission alone. There is an abundance of other testimony bearing on this same point. Senator MATTHEWS in his recent speech on the silver question says:

It can be demonstrated by an impregnable array of facts that silver can to-day buy more of every other known product of human labor than it could in July, 1870, gold alone excepted: lands, houses, stocks of merchandise, machinery, labor, everything but gold; here, elsewhere. In Asia, in Europe, throughout this whole continent, nowhere, measured by the average price of the general commodities of the world, has silver depreciated the breadth of a hair. On the contrary, it has maintained its position. It can buy to-day more land, more houses, more machinery, more calico, more cotton, more everything than it could in 1870, the same number of grains of the same standard and fineness.

In replying to Mr. MATTHEWS, Senator EATON, himself an earnest advocate of the single gold standard, admitted what Mr. MATTHEWS had said, as far as this country is concerned, in the following words:

That [silver] can buy more land in America to-day than it could in 1870 undoubtedly is true.

Now, Mr. Speaker, if the purchasing power of 412½ grains of standard silver is as great to-day as it was in 1870 or in 1873, (and no one after investigating the matter can doubt it,) what wrong shall we do

our creditors by paying them in this coin? When the act demonetizing silver was passed silver was at 3 per cent. premium as compared with gold. In view of this fact no gold man will claim that we should have been wronging our creditors if at that time we had called in and paid in silver any and all bonds then due. Why, then, should these men claim now that we are wronging our creditors if we pay them with a silver coin that is worth just as much as it was in 1873? When we pay our creditors 412½ grains of standard silver to-day they get just as much value as they would have gotten in 1873 in the same quantity of silver. They lose nothing by the transaction. Even the gold men must admit that we would have been doing full justice to our creditors if we had paid them in silver in 1873.

Where, then, is the injustice in paying them in silver to-day when the silver to-day is equal in purchasing power to the silver of 1873? Because gold alone of all commodities has advanced in price must we pay in gold? This appears to be the doctrine advocated by the gold men. In other words, they would have us pay our debts, not according to the universal custom of the world in all ages, in the cheaper coin, but in the dearer; if by some trick a law is passed giving one metallic coin a monopoly, thus doubling its value, we should pay our debts in that coin, no matter whether we agreed to or not, and no matter if by paying in this high-priced coin we actually pay double what we agreed to pay.

Now, Mr. Speaker, I for one cannot appreciate such a high-toned sense of honor as this. These men appear to think that the creditor is the only person to be consulted in this matter. In their gushing and unbounded sympathy for him they seem to forget that the debtor, the people of this great nation, has any rights whatever. Now, sir, justice demands that in determining what is right and proper to do the interest of both of these parties should be consulted. In all our deliberations we should bear in mind that the debtor has rights as well as the creditor. It will not do to consult only the interest of the one and trample upon the interest of the other. When the people of this nation through their Representatives in Congress gave those notes which the gold men now claim should be paid in gold, they reserved the right to pay those notes either in gold or silver at their option. In this right, sir, we, their chosen Representatives to-day, should see them protected. We should guard their interest with the same scrupulous care that we do that of their creditors. I claim that the people, having reserved the right to pay their notes in either gold or silver, at their option, do no injustice or wrong to any one if they pay those notes in silver. Indeed, I claim that by paying in silver they fulfill both the letter and spirit of the laws under which their notes (the Government bonds) were given. In fact, their right to pay in silver is so clear that I cannot see how any intelligent man can dispute it. But as there are men who do dispute this right, I wish to call attention to the laws authorizing the issue of the Government bonds. It seems to me that these laws ought to settle this question as to payment at once and forever. Let us see.

According to Secretary Sherman's statement of the public debt of the United States for the month of December, 1877, our outstanding interest-bearing bonds are as follows:

Loan authorized by act of February 8, 1861.....	\$18,415,000
Loan authorized by act of July 17 and August 5, 1861.....	189,321,350
Loan authorized by act of March 3, 1863.....	75,000,000
Loan authorized by act of March 3, 1864.....	194,566,300
Loan authorized by act of March 3, 1865.....	464,985,850
Loan authorized by act of July 14, 1870.....	783,340,350

Now, Mr. Speaker, let us look for a moment at the various acts authorizing these loans and see what they say as to the payment of the bonds. In the acts of February 8, July 17, and August 5, 1861, there is nothing said as to what kind of money shall be used for paying either principal or interest. This matter was left to the option of the Government entirely, and had there been no subsequent legislation the bonds issued under these several acts might have been paid either in gold, silver, or legal-tender notes as the Government saw fit.

In the act of March 3, 1863, it is expressly stipulated that both the principal and interest of the bonds issued thereunder shall be paid in "coin."

The act of March 3, 1864, says that the bonds, for which it provides, shall be "payable at any period not more than forty years from date in coin."

The act of March 3, 1865, says nothing about the kind of money in which the bonds issued under said act shall be paid.

The act of July 14, 1870, provides for issuing 5, 4½, and 4 per cent. bonds and says that said bonds shall be "redeemable in coin of the present standard value," and the interest is made "payable semi-annually in such coin."

Now, Mr. Speaker, it will be observed that in every one of these acts where anything at all is said about the kind of money in which the bonds shall be paid the word "coin" is used, not gold. But let us look a little further. On the 18th day of March, 1869, Congress, with the express purpose of settling all questions as to the payment of the Government bonds, passed what is called "an act to strengthen the public credit," which says:

That in order to remove any doubt as to the purpose of the Government to discharge all just obligations to the public creditors, and to settle conflicting questions and interpretations of the laws by virtue of which such obligations have been contracted, it is hereby provided and declared that the faith of the United States is solemnly pledged to the payment in coin, or its equivalent, of all the obliga-

tions of the United States not bearing interest, known as United States notes, and of all the interest-bearing obligations of the United States, except in cases where the law authorizing the issue of any such obligation has expressly provided that the same may be paid in lawful money or other currency than gold and silver. But none of said interest-bearing obligations not already due shall be redeemed or paid before maturity unless at such time United States notes shall be convertible into coin at the option of the holder, or unless at such time bonds of the United States bearing a lower rate of interest than the bonds to be redeemed can be sold at par in coin. And the United States also solemnly pledges its faith to make provision at the earliest practicable period for the redemption of the United States notes in coin.

Now, Mr. Speaker, can any intelligent person after reading this act doubt for a moment as to how our bonds are to be paid? This act says clearly and distinctly that they shall be paid in "coin." Will any gold man tell me that the word "coin," as here used, means merely gold? Does he or any other man believe that those members of Congress who voted for this act intended that this word "coin" should mean gold and only gold? No man who has studied this question at all can believe that. Why, sir, in this very act the word "coin" is used as synonymous with the words "gold and silver." That word means "gold and silver" wherever it is used, not only in this act, but in all the several acts under which our bonds were issued both during and since the war.

In fact, up to 1873 no one ever thought of its meaning anything else. When he saw the word "coin" in these acts every man instinctively said to himself, "That means gold and silver." He never thought of dropping silver out of it and of associating it with gold alone. Why? Simply because gold and silver had always been the "coin" of the country. There had been no time during all our history when they had not stood side by side in our Constitution, upon our statute-books, and in our commercial and every-day life; and knowing this, it never occurred to him that the word "coin" meant simply gold. Why, sir, silver had always been one of the coins in this country up to 1873. As far back as 1786, the congress of the Confederation passed an act whereby a silver dollar containing 375.64 grains of pure silver was established as the "unit of account." By the coinage act of April 2, 1792, the first coinage act ever passed under our present Constitution, one of the coins authorized was a silver dollar containing 371½ grains of pure silver. This was "the dollar of our fathers" and it continued to be one of the coins of the country until it was struck down by the law of 1873. During all the years of the war, when our bonds were issued with a pledge that they should be paid in "coin," this silver dollar was recognized, both upon our statute-books and in our commercial and business transactions, as one of our legal coins.

Now, Mr. Speaker, in view of all these facts, how can any one say that the Government is disregarding its obligations and violating its pledged faith if it claims the right to pay its bonds in a silver coinage of 412½ grains of standard silver to the dollar? What more can justly be demanded of a government than to pay its debts according to contract? And yet these gold men tell us that it is repudiation and dishonesty for our Government, after having agreed to pay its bonds in silver, to assert its right to pay them in that coin. Why, sir, ever since the people began to ask the privilege of paying their bonds in silver, according to contract, we have heard nothing from these men but charges of repudiation and dishonesty. In their speeches, in their papers, and from their pulpits they have assailed those who favor remonetization and have heaped upon us all the vile epithets that imagination could invent. To hear some of these men talk one would almost be forced to the conclusion that the silver men were the worst set of vagabonds, swindlers, and thieves on the face of the earth.

Now, Mr. Speaker, I most sincerely regret the kind of talk in which these men indulge. I am sorry that the question has become so much of a sectional question, arraying the East against the West and the West against the East in such bitter hostility. This question is one that should be discussed without sectional bitterness, without using vile epithets, or calling bad names. To those who charge the silver advocates with being repudiationists and swindlers, I wish to say that the charge is wholly false. The silver men are as honest and true as any class of men either in this or any other country. They are as sensitive in regard to the national honor as are the men who charge them with seeking to tarnish it, and have done as much in the years of the past, both during and since the war, to preserve that honor unscathed, as it was possible for any class of men to do.

Why, sir, the people of the great State of Illinois, which I have the honor in part to represent on this floor, are practically a unit in favor of remonetizing silver. Will these gold advocates dare to come forward and brand the people of that State as repudiationists and swindlers? No, sir; these people are honorable, and are ever willing to do what is fair and right. Never in all their history have they shown any inclination to wrong their creditors or to hold back from them a single farthing that was their just due. To-day they lift up one united voice and declare that never with their consent shall the creditors of this great Republic suffer the least injustice or wrong. In national as in State affairs they are willing to live up to all contracts, both in letter and spirit. But while they are willing to do this, while they demand that the national creditors shall be protected in all their rights, they demand also that the people, who are the debtors, shall be protected in their rights as well. When the contract declares that the nation's creditors shall be paid in gold, they say let them be paid in that coin; when the contract designates silver, they

say let the creditor receive silver; but when the contract says coin, and when by every conceivable interpretation of law coin means either gold or silver, they say let payment be made in either gold or silver, at the option of the Government. They fail to see, as every fair and unprejudiced man must fail to see when he comes to look at the matter in its true light, how a Government can violate its faith or tarnish its honor when it lives up to its contract and does as it agrees to do.

But, Mr. Speaker, the gold men are anxious about the bonds issued under the act of July 14, 1870, and want to know if the advocates of remonetization are in favor of paying those bonds in silver. I cannot speak for any one but myself; and speaking for myself I will say that I am most decidedly in favor of paying those bonds in silver. And this position I am led to take for the simple reason that the word "coin" as used in the act of 1870 means either gold or silver, just as it does when used in the other acts which I have before mentioned. The act of 1870 says clearly and distinctly that the bonds issued under it shall be "redeemable in coin of the present standard value;" that is, in coin which was standard value at the time the act was passed on the 14th day of July, 1870. The coin of standard value then was just what it had been for nearly forty years, namely, a gold coin of 25.8 grains to the dollar and a silver coin of 412½ grains to the dollar, each nine-tenths fine. If, then, we pay these bonds in silver of the standard value of 1870 we certainly live up to our agreement, and neither disregard the rights of the creditor nor bring dishonor upon the nation.

But, it is urged, did not Secretary Sherman publish a letter in which he said that these bonds should be paid in gold? Well, suppose that he did. Who is Secretary Sherman that he should attempt to override law? What right has he to say that these bonds shall be paid in gold when the law says explicitly that they shall be paid in coin, that is, in either gold or silver? Mr. Sherman has no right or authority to make such a statement. Mr. Sherman is only the agent of the people to carry out the law—to issue these bonds according to the terms of the law authorizing their issue. The question is, not what Mr. Sherman says, but what the law says, and the law is abundantly clear as to how the bonds shall be paid.

But the gold advocates say that as we received gold for these bonds we should pay them in gold. This might be a good argument for a repudiationist, but it is rather a weak one for the gold men. It proves decidedly too much for them. Once establish the principle that we are at liberty to pay our bonds in the same kind of money which was paid for them, and we can pay off all the bonds issued prior to 1870 in legal-tender notes. Do the gold advocates want this done? And yet this is just where their argument would land them. But, Mr. Speaker, the question is not what kind of money was received for the bonds, but what kind of money we agreed to pay them with. On this point the contract is abundantly specific, and if we adhere strictly to this contract we shall fulfill our every obligation and preserve the nation's reputation unscathed. To my mind there is no necessity for our Government's performing anything more than is stipulated in the contract, or for its measuring its obligations by any standard of fictitious or sentimental morality simply for fear that some interested party may charge it with bad faith. It is sufficient if it lives up to its agreement, and no one has any right to ask it to do more.

REMONETIZATION AND THE PUBLIC CREDIT.

Again, we are told that remonetizing silver will so injure our credit abroad that it will be impossible for us to sell our 4 per cent. bonds. But why need any such result be feared? If the money kings of Europe want our bonds, can they not do as they did during the war, buy them with the cheaper money? It is a notorious fact that when our bonds were put upon the market during the war these men exchanged their gold for greenbacks, worth only from forty to sixty cents on the dollar, and then took these same greenbacks and bought bonds with them, dollar for dollar. Now they can exchange their gold for silver, if silver is at a discount, and then buy bonds with that coin. If we remonetize, we shall be willing to take silver for these bonds, so that those who buy cannot lose anything by the investment, but have all the advantage that may accrue to them from silver appreciating so as to be at par with gold.

But, Mr. Speaker, for one I am not as anxious as these men are to have our bonds taken by the money kings of Europe. In fact I do not want them taken by these men at all. I am one of those persons who desire to see our bonds disposed of in our own country, and to have our own people become the nation's creditors. I am persuaded, sir, that a bond bearing 3.65 or 4 per cent. interest can be disposed of readily here at home among our own citizens.

But, Mr. Speaker, I do not rely on my own opinion in this matter merely. I have here the opinion on this subject of a gentleman who is in a much better position than I am to judge of what the people need in this direction and what would probably be popular with them. In his last annual report, Secretary Sherman, in speaking on this subject, uses these words:

The attention of Congress is called to the great value to our fellow-citizens of the organization of some plan for the collection, safe-keeping, and profitable employment of small deposits by the people. How far this can be done without trenching upon the proper functions of the State governments is a question of difficulty; yet it is important to secure if possible a general system throughout the United States. This can hardly be effected by the organization of a multitude of savings-banks, depending upon the fidelity, integrity, and skill of their officers, but the beneficial

object of such banks might be secured by authorizing the deposit of small sums with any postal money-order office in the United States, and the issue of Government certificates, convertible on demand of the holder into 4 per cent bonds of the United States of such character, description, and amount as will enable and induce prudent persons to convert their earnings into a public security of stable value. The money thus received could be employed in the redemption of outstanding bonds bearing a higher rate of interest. By some such system it is believed that the great body of our public debt, reduced to its smallest possible burden, could be distributed among our own people. With a slight modification of existing law this beneficial result would be secured. The deposits now held by savings-banks throughout the country amount to \$843,154,804, deposited by 2,300,000 persons, and mostly by deserving citizens, who thus wisely seek to preserve small savings for future need. No object could more strongly appeal to the considerate judgment of Congress. The heavy losses that have been sustained through savings-banks, whose funds have been improvidently loaned upon insufficient security, have inflicted far greater injury upon the depositors than would a similar loss suffered by persons engaged in banking or commercial pursuits. The Secretary therefore recommends that authority be granted to issue certificates for small deposits, convertible into 4 per cent bonds now authorized by law, the proceeds to be used solely for the redemption of bonds bearing a higher rate of interest and now redeemable at par.

Thinking that some action should be taken in this matter by the present Congress, early in the extra session I introduced a bill into this House providing for a Government bond, the first section of which bill reads as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury be, and he is hereby, authorized to issue, in a sum or sums not exceeding in the aggregate \$500,000,000, coupon bonds of the United States, in such form as he may prescribe, and in denominations of \$25, \$50, \$100, \$500, and \$1,000, in equal sums of each of said denominations, which bonds shall be redeemable in coin of the present standard value after fifty years from the date of their issue, and shall bear interest, payable semi-annually in such coin, at the rate of 3.65 per cent per annum; said bonds and the interest thereon to be exempt from the payment of all taxes or duties of the United States, as well as from taxation in any form by or under any State, municipal, or local authority; and the said bonds shall have set forth and expressed on their face the above-specified conditions, and shall, with their coupons, be made payable at the subtreasuries and national banks of the United States.

Now this bill may not be just what is most to be desired, but I am confident that a bond something like this can be provided, which will prove just what we need and which can be made to work in the interest of both the Government and the individual citizen. The many failures of savings and other banks within the last few years, and the immense losses which have resulted therefrom to their thousands of depositors, have created a demand for a Government bond of this kind that will furnish to the people a means for the investment of their surplus earnings which shall be safe. Let the Government put such a bond on the market; let that bond be registered so that it cannot circulate as money; let the people understand that they can invest their money in it, and then, when they want their money again, can present the bond and get both their money and the interest thereon, and I have no doubt that the great bulk of deposits all over the country, especially in small amounts, will be invested in this bond. Several reasons can be given why such a bond is desirable.

In the first place, as I have said before, it will furnish a safe investment for the surplus earnings of the people. The losses on account of bank failures during the past few years, have fallen heavily upon all classes of our citizens, but more especially upon the day laborers who, in many cases, had all their surplus earnings deposited in these banks, and when the banks went down their little all was swept away forever. Such a bond as I speak of would offer to these people a means of investment which would prevent all such losses. Every day laborer who could get together \$25 more than was necessary to meet the present wants of himself and family, could invest that \$25 in one of these bonds, feeling that his money was perfectly safe and that he could get it whenever he wanted it, together with a fair interest on it while so invested.

In the second place, such a bond would be desirable, because it would distribute our immense debt among our own people. The average deposits in this country during the past five years have reached about \$1,200,000,000. Now if we suppose that half of this amount (which is a reasonable supposition) is invested in these bonds, that will give us \$600,000,000. If the average amount of investment is \$100, our bonds will be distributed among six millions of our people. These people will thus become pecuniarily interested in maintaining the credit of the Government. They will feel it incumbent upon them, as a matter of self-interest, to put forth their best efforts not only to build up and strengthen the Government, but to preserve its honor and good name unsullied. Such a bond, thus distributed, would bind the people to the Government so strongly that it would be impossible for base and ambitious men ever to work its overthrow.

Again, if \$600,000,000 were invested in these bonds, much of that sum could be used by the Government in buying up 5 and 6 per cent bonds, and canceling them. In this way we virtually fund our debt, or a portion of it, into a bond bearing a lower interest, and thus accomplish all that could be accomplished by funding it into the 4 per cent bonds authorized by the act of 1870, and at the same time we keep our bonds at home instead of sending them to Europe. How much of the amount invested in these bonds could safely be used in buying up higher-interest bonds is uncertain. If we suppose \$300,000,000 of the \$600,000,000 to be thus used, we shall save in interest each year on a 4 per cent bond (provided the amount bought of the 5 per cent bonds is equal to that of the 6 per cent.) the sum of \$4,500,000, which is certainly an item worth considering.

But there are other advantages to be derived from this bond. If the holder can present it at any time he chooses and get the money for it, it will serve as an effectual safe-guard against panics, and if

the Government reserves the right to give out in exchange for the bond either gold, silver, or legal-tender notes, the bond becomes an equalizer of value between these three kinds of money. My idea is that gold, silver, and legal-tender notes should constitute the money of this country. I would have the gold coin as it is, the silver coin as it was, with 41 $\frac{2}{3}$ grains to the dollar and the legal-tenders as they are except to enlarge their legal-tender power and make them receivable for customs duties. The following bill, which I introduced into this House a few days ago, expresses my ideas in regard to the legal-tender notes:

A bill prohibiting any further destruction of legal-tender notes, and making such notes a legal tender for customs duties.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all that portion of the act approved January 14, 1875, entitled "An act to provide for the resumption of specie payments," which reads as follows, to wit: "And whenever and so often as circulating notes shall be issued to any such banking association so increasing its capital or circulating notes or so newly organized as aforesaid, it shall be the duty of the Secretary of the Treasury to redeem the legal-tender United States notes in excess only of \$300,000,000, to the amount of 80 per cent of the sum of national-bank notes so issued to any such banking association as aforesaid, and to continue such redemption as such circulating notes are issued until there shall be outstanding the sum of \$300,000,000 of such legal-tender United States notes, and no more," be, and hereby is, repealed; that the volume of outstanding legal-tender notes shall not be reduced below the sum of \$350,000,000; that under the operation of the act providing for the resumption of specie payments on the 1st day of January, 1879, the legal-tender notes shall not be canceled as they are received into the United States Treasury, but may be paid out in liquidation of any and all claims against the United States Government, and shall be a full legal tender for all debts, both public and private, including customs duties, except in cases where payment is otherwise provided for by law or by special contract.

Now, Mr. Speaker, with a circulating medium embracing these three kinds of money, each a full legal tender, and the Government having the right to pay in whichever it chooses, there would be maintained between them a perfect equilibrium which nothing could disturb.

But how is the equilibrium between gold and silver to be brought about? The gold men say that it will be an impossibility to bring silver which is at present selling in the market at ninety-two cents on the dollar up to a par with gold. But, Mr. Speaker, my theory is that if the cause which produced the difference in the value of gold and silver be removed the two will speedily come together. When silver was demonetized gold was given a monopoly. Under such circumstances the demand for gold increased and its price went up. On the other hand, silver being discarded the demand for it was lessened, and of course it did not appreciate as rapidly as gold. Now, sir, deprive gold of its monopoly and it must fall in price. Put silver back in its old place and its price will go up and the two will stand together. It is a well-known fact that the more uses a commodity can be made to serve the more valuable it becomes, other things being equal. Use, in fact, is what makes a commodity valuable. Every new use to which silver can be applied enhances its value. The gold men recognize this fact. The gentleman from New Hampshire [Mr. BLAIR] said in his recent speech that the tendency of remonetizing silver in itself would be to make it more valuable.

Speaking on this subject September 2, 1876, the London Economist, the special organ of the monometallists of England, says:

If, at the present moment, America would become a silver country, the interest and principal of her obligations would be paid in silver. The evil, of course, would not be what the monetary circumstances of the market would now suggest. Silver would not be at 52 pence per ounce if America was a country with a sole silver currency. So large a demand as her coin requirements would send up the price very rapidly—perhaps to its old amount.

Speaking of our remonetizing silver, the London Standard of October 20, 1877, uses this language:

If the United States were to make silver legal tender for unlimited amounts it is certain that the bulk of the currency would be silver. A market would thus be opened not only for the production of the Nevada mines, but also for the surplus silver now held by Germany. The price would at once go up to its old level, and would probably be sustained at that point. For then France would decide also to retain the double standard. During the past two years the French Government has been watching events. M. Leon Say, the late finance minister, again and again declared that the Government would not abandon the double standard unless the fall in silver proved to be permanent; and every finance minister would probably follow the same policy. The determination of the United States, therefore, to retain silver as a legal tender would decide France in the same way, and thus the value of the metal would be re-established.

Now, Mr. Speaker, if we put silver back where it was prior to 1873 and thus rob gold of its monopoly, I cannot see why the two coins should not come together, especially if, as the Standard suggests, our remonetizing silver would lead France to retain the double standard. It is impossible of course to predict what France may do in this matter; but I believe that the action of the United States will have much to do in determining her course. I coincide most fully in the sentiments expressed in the Senate a few days ago by one of the Senators from Tennessee, [Mr. BAILEY:]

Mr. President, I believe that the Congress of the United States by prompt and decided action can arrest the movements looking to the demonetization of silver, and thereby prevent the consummation of what I can but regard as a crime against humanity, the destruction of one-half the money that belongs to mankind.

Sir, we can arrest this movement. Our influence among the nations is commensurate with our great population, our vast commerce, and advanced civilization. That influence thrown now into the scale will arrest the attention of the world; it will check the movement of Germany, already brought to a halt; it will sustain the states of the Latin union in their struggle so long maintained without support. Our action will compel all people to reconsider this question and count the cost of such gigantic destructions of wealth and the means of creating wealth.

Now, Mr. Speaker, in view of all that I have said, who can doubt

that silver, if restored to its former position, will hold its own with gold? Is there, in fact, any good reason why it should not? During the entire history of this nation up to 1873 it stood side by side with gold and was its equal in every respect. Give it again the sanction of the Government, make it a legal tender for all debts in all amounts, and there is nothing to fear. In France and other nations of Europe silver holds its own with gold in the proportion of 15½ to 1. Why should it not do the same here when we coin it in the proportion of 16 to 1.

GOLD DRIVEN FROM THE COUNTRY.

But, Mr. Speaker, we are told that gold will be driven from the country in case we remonetize silver. It would be interesting if those who talk in this way would inform us where the gold is that is to be thus driven away from us. It is a notorious fact that there has been no gold of any consequence in the country since the first years of the late war, and there is but little here now.

The drain upon us to pay the interest upon our European indebtedness has been so great for the past few years that our exports of this coin have largely exceeded our imports. During the year ending June 30, 1877, our exports exceeded our imports by over \$15,000,000; during the year ending June 30, 1876, by over \$40,000,000, and during the year ending June 30, 1875, by over \$54,000,000. In fact, there is practically no gold in the country to be driven away. But suppose there was, and it should be driven away as these men say, what of it? It would simply go out of the country to pay our debts or to purchase something that we needed. We would get an equivalent for every dollar that we sent away, and hence we should suffer no loss. Our debts must be paid, and if we do not send our gold to pay them we will be obliged to send something else of equal value. This objection, like many others that these men bring forward, amounts to nothing, and only shows to what weak arguments they are obliged to resort in order to bolster up their cause.

REMONETIZATION A NECESSITY.

But, Mr. Speaker, to my mind the remonetization of silver is not only right, but it is an absolute necessity. We are nearing the time fixed for the resumption of specie payments. There is now not the slightest prospect that the "resumption act" will be repealed. We shall therefore be called upon, on the 1st of January, 1879, to redeem our legal-tender notes in coin. In order to be ready to meet this call and to make our attempt to resume a success we shall be obliged to call to our aid every resource possible. It will be exceedingly difficult, if not utterly impossible, to obtain gold sufficient for our needs. Silver can be obtained and we should certainly avail ourselves of it. With its aid the attempt to resume can be made a success. I agree entirely with the sentiments expressed by the London Standard when in speaking of the difficulties in the way of our resuming with gold alone it says:

It is unquestionable that resumption could be effected much more easily if silver were made legal tender for unlimited amounts, and this not because a silver dollar at present prices would range lower in comparison with gold than a paper dollar, but because there is not sufficient gold to be obtained with which to resume. At the present moment the demands of the German, French, and American governments for gold for coinage purposes compel the Bank of England to raise its rate of discount to 5 per cent., even though trade is stagnant. If the United States determine on having only a gold standard, the gold markets will be perpetually exposed to this drain and there will be constantly recurring crises. If, on the contrary, this country puts silver on a level with gold, it will be spared the incessant competition with European countries for gold, and the money markets of Europe will be relieved of a permanent strain.

RIGHTS OF THE PEOPLE.

But, Mr. Speaker, the gentlemen on the other side of this question talk a great deal about the rights of our creditors, the bondholders. In view of the proposition to pay these men in silver a distinguished gentleman in the Senate, [Mr. KERNAN,] in the course of his remarks a few days ago, asked: "Have these bondholders not the right to respond, 'Is that fair to us?'" Now, Mr. Speaker, I am in favor of giving the bondholder everything that is justly due him. I would not wrong him in any particular. But, sir, there are others who have rights in this matter as well as the bondholders. The people of this nation have rights and these rights should be guarded by the people's representatives with the same care with which the rights of the bondholders are guarded. When it is proposed to pay the bondholder in gold at its appreciated value, thus taking from the people the privilege guaranteed to them in the contract, of paying in either gold or silver as they desired, have not the people the right to respond, "Is that fair to us?" I believe in dealing fairly and honestly with both parties and of giving to each all the rights to which he is entitled under the law.

THE OLD CONTEST BETWEEN THE MONEY-POWER AND THE PEOPLE.

And now, in conclusion, Mr. Speaker, I wish to say that this contest in regard to paying our bonds is the old contest between the money power and the people. The money power of this country has had everything its own way for many years, and it imagines that it can have its own way now. For years the money kings of Wall street, influenced by the money kings of Europe, have dictated the financial policy of our Government, and that, too, in their own interest. When I say this, I say what every one knows to be true. When I say that the financial legislation of the National Congress, thus dictated, has been directly opposed to the best interests of the great majority of our people, I say only what history will record as fact. Why, sir, look at that legislation, or a portion of it! Take the acts of 1873

and 1875. Suppose these two acts remain in force, what will be the result? On the 1st of January, 1879, we resume specie payments. What follows? Simply that all the debts, both of our Government and our people, must be paid in gold at its appreciated value. In whose interest is the legislation which made such payment obligatory? In the interest of the few who happen to be creditors and against the interest of the many who are debtors.

Why, sir, the act of 1873 deprived the people of this nation, at one blow, of one-half their means to pay their debts. It struck down the silver coin of the nation, and declared that the people should no longer pay their debts in anything but gold, or its equivalent, at a monopoly price. To comprehend the magnitude of this wrong, it is only necessary to understand the magnitude of the people's indebtedness. It is estimated that the State, railroad, and corporation debts of this country amount to between \$4,000,000,000 and \$5,000,000,000. These debts were mostly contracted prior to the passage of the act of 1873. The people understood, when they contracted these debts, that they were to pay them in either gold or silver. Now, sir, is there any justice in striking down the right which was guaranteed to them by the contract with their creditors? Was not the passage of the law of 1873 a direct violation of the sanctity of contracts? Since that act was passed, gold has been gradually increasing in value, and all other commodities have been decreasing. To compel people to pay their debts in a coin forced up as gold has been is an act of the most flagrant injustice. I do not wonder that the people have become restive under the unjust burden that has been heaped upon them. I do not wonder that they are speaking out in forcible and decided tones, demanding that the wrong against them be righted. They ask nothing unfair, nothing wrong, nothing that is not due them. They simply ask that the act of 1873 be repealed, and that the silver dollar of 412½ grains be restored to its former place. As the representatives of the people, it is our duty to heed their demand. It is our duty to protect them in their rights—those rights which were guaranteed to them in the contract with their creditors. Nothing more than this do they ask and with nothing less will they be satisfied.

REMONETIZATION OF SILVER—BIMETALLIC STANDARD.

Mr. HASKELL. Mr. Speaker, the right of Congress to restore the silver dollar of 412½ grains standard silver to its original place in the coinage of the United States seems to be no longer seriously questioned, though a brief review of some of our earlier coinage acts may not be considered out of place here. The Mint act of 1792 was the law under which our coinage actually began, and contained this provision:

There shall be struck and coined from time to time, at the said mint, dollars or units, each to be of the value of a Spanish milled dollar as the same is now current, and to contain 371¼ grains of pure or 416 grains of standard silver.

By this act the silver not the gold dollar was made the monetary unit; primarily, then, when in a contract the word "dollar" was used it meant the silver dollar of 371¼ grains of pure silver.

This act with reference to the silver dollar remained in force until 1837, when its weight was reduced to 412½ grains and its fineness was increased. During all these years from 1792 to 1837 silver circulated to the almost entire exclusion of gold, for the reason that the gold coins were worth more as bullion than as coin, and consequently went out of circulation into the melting-pot. In 1834 the gold eagle, which by act of 1792 had been made to contain 270 grains with its fineness fixed at 916½, was reduced to 258 grains in weight, and the fineness was also reduced to 899.225. The fineness was again changed in 1837 to 900, (9 parts pure gold to 1 part alloy.) (See Money and Legal Tender, Linderman.) From this date until 1873 the relative conditions of gold and the silver dollar which had existed from 1792 to 1837 were exactly reversed; the silver dollar became worth more as bullion than as coin, and went out of circulation into the melting-pot, the premium on the silver dollar (measured in gold) about the date of its demonetization being 103.12.

It will be noticed in this connection that in readjusting the ratio between gold and silver in 1837 the overweighted or most valuable coin was reduced or sought to be reduced to the level of the cheaper coin or monetary unit, the silver dollar, and that in this the debtor interest was protected. We are now asked to increase the weight of the cheaper coin, if it is re-established at all, to the detriment of the debtor interest and the enhancing of the creditor interest, and that, too, when the public and private debtor interest is enormously large. If in 1834 it was thought best for the general good not to increase the burden of debt obligations, but rather to lighten them, how much more does the best interests of our debt-ridden people at this time demand that if any change is to be made in our coinage laws it be made in the interest of the debtor rather than that of the creditor? We do not ask this. We are not asking for the relief of the debtor interest as against the creditor, but for even and exact justice; for the repeal of that act whereby (as it has since been proven) the debtor was discriminated against, and the restoration of that status which existed at the time the great body of our debts were contracted; but our friends who put themselves on record as in favor of the single gold standard and legal tender insist that the ten billion of public and private indebtedness shall be allowed to increase indefinitely as the value of gold may increase and the difference between the gold dollar and the silver one (which was not only our monetary unit but the measure of the value of our contracts) grows greater and greater.

And now since our anti-silver men are wont to denounce our arguments as weak and untenable, let me quote from one of their own apostles that if perchance we "out of their own mouths condemn them" they may respect the logic by which it is done:

Debts payable in coin are in effect payable in commodities. A coined dollar before 1873 in this country was not an imaginary unit, but a physical actuality composed of 412½ grains of silver, or 23.8 grains of gold. In all commercial transactions common honesty also requires that the dollar shall always be treated as a commodity, *i. e.*, that its name shall always indicate a given fineness and weight of metal. A bushel is not an imaginary measure of capacity, a yard is not an imaginary measure of length, a pound is not an imaginary measure of weight, and a dollar ought not to be regarded in any sense as an imaginary measure of value. Again, debts payable in coin dollars are stipulated rights to specific property and in both law and morals should be held equally sacred with property itself. Any interference with the rights of contracts is only a form of theft or robbery. It is true that there has never been any national law requiring that coin contracts shall be payable in gold and silver coins of the weight and fineness established by law at the time the contracts are made, but it is generally recognized nevertheless as a moral and constitutional obligation to pay in the same number of grains of pure metal as the law required when a given contract was made. And it is time that Congress should act and proclaim that this hereafter must be the known, conceded, and recognized rule. There is no reason furthermore why this rule should not be applicable to all debts contracted when silver was a practicable legal tender, even if silver is permanently depreciated and if its full remonetization will not restore it to par with gold.—David A. Wells in *The Silver Question*.

Then he said:

But conceding all this it would be expedient for the debtor to inquire whether he is to be the least benefited by the proposed full and unlimited remonetization of silver.

We will treat of this further on, after quoting another anti-"dollar-of-the-fathers" authority, (Dr. Linderman, Director of the Mint,) who says on page 114 of his book entitled *Gold and Legal Tender*:

On the 14th of July, 1870, an act to authorize the refunding of the national debt was approved, which authorized the sale, exchange, and issue of prescribed amounts of 5, 4½, and 4 per cent. bonds, redeemable in "coin of the present standard value," at the pleasure of the United States, after certain periods named, the interest payable in such coin. Strictly construed the words "coin of the present standard value" as used in this act must be regarded as meaning the full legal-tender coins which at the time represented the money of account; that is, all the gold coins coined at the rate of 25.8 grains, nine-tenths fine, to the dollar, and the silver dollar of 412½ grains of the same fineness.

Evidently thus far the law and the precedent are both on our side. "But," say our anti-silver friends, "these holders of our bonds 'expected' to be paid in gold." To this I reply that our obligation to pay our public debt is a statutory obligation, and not one of "expectation" or "supposition." All are presumed to know the law, and the law reads "coin," of which fact none are better acquainted than those who bought our bonds. If, therefore, it was just to "the people," one party to the contract, to make their "coin" debts payable in gold by the act of 1873, why is it not just to the bondholder to now compel him to take just what his contract calls for?

The real questions for us to determine are: Will it be GOOD POLICY to remonetize and re-establish the old original dollar of 412½ grains? What interests are benefited? What interests are injured? And do the benefits outweigh the evils? There are evidently two sides to this matter. I can conceive that men may disagree with me on these questions and yet be neither thieves nor robbers. May I hope that the honorable gentlemen on the other side will accord to us the same integrity of purpose which they possess themselves?

Since no one can tell where the price of silver will finally settle when it shall have been restored to its old place in the coinage it becomes necessary for us to look at the probable effect of our legislation with silver at a slight discount (measured by gold) and also with silver at par with gold. If it settle at a price below par, (measured by gold,) I have no doubt that we shall be obliged to pay a somewhat higher rate of interest upon our bonds. We may not be able to continue funding in four per-cents, for instance, unless adjusted to a silver standard. This is about the extent of the evil. If, on the other hand, as many of our wisest men believe, the re-establishment of the silver dollar raises it to par with gold, I do not see how that can be the result; or, if the premium upon gold be as slight as it now is over greenbacks I do not see how it could be the result. I have said that an increase of the rate of interest on the public debt will be the only evil result. It may also lower slightly the price of our high-rate-interest bonds that now range at 10 or 15 per cent. above par, even in gold. Suppose it does! Are we to legislate eternally in the interest of the bondholder, utterly unmindful of our poorer citizens? Is it any part or parcel of good financial policy to keep our bonds up to a speculative value? Is it not generally admitted to have been a wise act on the part of the Secretary of the Treasury, in which he placed our Government securities where poor men, unused to cat-like watching of the stock market, could have an opportunity to invest their hard-won earnings in the bonds of their country at par? Even our four per-cents were by the management of our syndicate monopoly (no longer in existence) quoted at 102. Sale or no sale, no man could buy of them at par, nor could he get them of his own Government.

I pause here to give Secretary Sherman due praise for his recent report in which he heartily favors the idea of a popular loan.

In the event that silver does not rise to par with gold the loss to us in the interest account will be amply compensated for in the relief it will give to the private-debt interest. The only commodity that will be injuriously affected is the Government bond. Every other species of property will be enhanced in value. Farms, mines, mills, manufactories, and every other producing interest have been depreciated vastly more than the value of the legal-tender dollar has been ad-

vanced, until property has become a burden and taxes a nightmare. Restore the silver dollar, and prices will go back to the point from which they were unnaturally depressed by the workings of the act of 1873. Nor will producing property and the debtor interest be the only ones benefited; the private creditor gains as well; for it is out of this property and by the profitable use of this property of farms, mines, mills, and manufactories that the "wherewithal" for the satisfaction of his debt is to be realized. But, says the poor debtor, who sees his farm or his factory about to fall into the hands of his creditor, "He is safe; he loses nothing; he gains." Apparently he does at the time; but when he has taken this farm and that mill and the other piece of property, his interest becomes the one of producing property, too, and unproductiveness and taxes haunt him as they now haunt you. What the money-lender wants for his debt is *money* generally, *not* property; and if he *does* want money he wants the financial condition of his country to be such as that property in its present hands will be able to earn money. At least he ought to want that, for his true interest demands that.

The public creditor, then, is the only one damaged if indeed *he* is. The great mass of the people are benefited. The public creditor gets all his contract calls for, even if it be a little less than he hoped for. The people get only justice. And since this is a Government established for the benefit of the people primarily, it would seem like sound public policy to insist that if possible it should accomplish that for which it was ordained.

It is charged that this act will drive gold out of the country. It may. If silver does not rise and gold fall so that the difference between the two dollars is slight, it will drive gold out of the country in time undoubtedly, that is, if driving out of the country what we do not possess is possible. If it does we shall simply be in the condition we were in from 1792 to 1837. It is quite possible that by and by we may be compelled to readjust our coinage laws, but first let us go back to where we were before we plunged headlong into debt. Repair as far as possible the damage done to silver by the act of 1873. See first what the ratio of gold and silver will be when we cease to debase and dishonor it and then we may have some reliable data by which to fix the relative weight and fineness of the two coins; have some sure foundation on which to build. But to ask a debt-ridden people to allow one of the two commodities which the Constitution says shall be received in satisfaction of debts dishonored and debased, and then thrust into the background, and the other commodity enhanced and overvalued and puffed up, made the grand monetary standard of the nation with this fictitious value attached to it, is to ask that which a sensible people, conscious of their rectitude, will not grant.

The low price of silver has been secured in large part by adverse legislation, not by over production, and yet we are asked to measure our coin by the over-valued gold dollar while this condition of things exists.

Then we are charged with an attempt to inflate the currency with silver, as if that were a heinous offense. Inflate with silver! Is not silver a commodity? Is it not a fair representative of labor? Can we have too much of it? Is not a silver mine valuable? Can we have too many cattle, too much food, too rich soil, too fine a climate? Can we have too much of any commodity which the people of every nation find conducive to their prosperity and well being, or too favorable conditions for the production of such commodities? I would to God I could inflate the whole country with these things. Which is better, to inflate with silver or contract with gold? When we have given that value to silver which this proposed legislation will give to it, if then it proves to be an inflation of the currency, so be it; and let our people thank Heaven for the realization of that prophecy of President Lincoln, who saw in the undeveloped mineral resources of the Nevadas and the Rocky Mountains a vast storehouse of wealth that was to furnish us the means of paying off our enormous debts.

I have often been asked, "Of what advantage is it to our people who are *not* in debt, this restoration of the silver dollar of 412½ grains?" I reply that to admit that it will be of advantage to those who *are* in debt is something of an admission, and a recognition of the rights of the debtor is most just. But the double standard of value is of benefit to all in that, as against the single or gold standard, it provides double the quantity of that legal-tender commodity in which civilized nations have declared a debtor is at liberty to satisfy his debt. Legal-tender coin is labor crystallized. Legal-tender coin is property realized. Legal-tender coin is wealth in such form that it commands at will all those commodities which man may need for his convenience, pleasure, or profit.

Mills, mines, farms, and factories may or may not afford their owners the means wherewith to purchase that which their pleasure or their necessity may demand. Whether they do or do not depends upon the varying conditions of trade and the necessities of those with whom they may deal for the peculiar commodities they may produce. But their products converted into coin possess the power of purchasing whatever the possessor may desire at all times and under all circumstances that can be foreseen. That legislation which tends to increase the volume of coin in circulation will facilitate the process of conversion of other commodities into coin. The world's history shows very clearly that that people is the most prosperous, that that government is most easily maintained and protected, and that citi-

zen is most advantageously situated who possesses the most of realized property.

Again, I desire that silver should be remonetized, because we very largely control the market, because we can produce by the application of labor that which many other nations can procure only by the legerdemain of trade.

Again, I object to a proposition which retains as legal tender only the one metal, gold, into which all property must be squeezed before it can be used in satisfaction of a debt; into which it must be converted before it can be made to purchase any other specific commodity. We are asked by our anti-silver friends to reduce the volume of legal-tender coin one-half. Just as it is undeniably true that small deliberative bodies are more easily made to yield to base purposes by corrupt manipulation than large ones, so is it true that a small volume of that metal by which the business of the country is managed and measured can be controlled by avaricious and corrupt speculators. Hence crises would come oftener and their effects would last longer than if we broadened the base upon which all commercial transactions are founded. Walter Bagehot, in the London Economist, (although a faithful apostle of the single gold standard,) says:

Probably if there were gold enough for all the world it would be best that there should be but a single standard of value throughout the world, and that one gold. But this is impossible. Some have doubted whether there is gold enough even for the nations that now intend to use it; and there certainly is not enough for all the world.

So much in reference to the gold supply in the world, in which opinion Mr. Bagehot is sustained by all the leading authorities of continental Europe; but in reference to his single standard theories which England established during the years of her celebrated "bank restriction" or suspension of specie payments, no more fitting reply can be found than that which is contained in a recent speech in the House of Representatives by Hon. JAY A. HUBBELL, of Michigan, which I give below:

The experience and practice of other nations in this particular are worth something. In 1816, at the close of the long and mighty wars in Europe growing out of the French revolution, England, the avaricious creditor of the continental nations, established a single standard, that of gold, for her coins. Why should she not? It would greatly enhance her profits and her wealth. But was it just? And what has been the result? Frequent and violent commercial, banking, and monetary crises. Two hundred and twenty-three times in the twenty-seven years beginning with 1847 was the rate of interest in the Bank of England changed, and the range of fluctuation was from 2½ to 10 per cent. It is now 2 per cent. In the one hundred and twenty-two years preceding 1816, the date of the adoption of the gold standard, there were only sixteen changes, and the rate never fell below 4 or rose above 6 per cent.

The gold and silver coin and bullion supposed to be in existence is variously estimated, but the following has been stated as the approximate amounts:

For use in the arts and coin—gold	\$5,800,000,000
For use in the arts and coin—silver	5,000,000,000
Total	11,400,000,000

About one-half of this amount (\$5,700,000,000) is coin, (coin and bullion,) of which is in use in the commercial world—

Gold coin	\$2,600,000,000
Silver coin	1,000,000,000
(In western world) of coin in the East, mostly silver	2,100,000,000
Total	5,700,000,000

To demonetize silver in the whole world, then, according to this estimate, would be to abandon considerably more than one-half of our stock of precious metals used as legal-tender money. In support of the bimetallic standard as against the single gold standard I append the names of the following gentlemen, whose knowledge of the science of finance has never been questioned and who have coincided entirely in their opinions on this subject: Alexander Hamilton, Thomas Jefferson, Albert Gallatin, Thomas Benton, Daniel Webster, John C. Calhoun, of this country; and of Europe Messrs. Wolowski, Courcelles Seneuil, Seyd, Léon Fauchet, Prince, Smith, Jevons, Cer nuschi, and Bonnet.

One of the most trifling objections that have been made to the re-establishment of the silver dollar is its weight and cumbersome nature as a coin, and visions of wheelbarrows and railroad cars for the transportation of coin from debtor to creditor seem to agitate and bewilder our friends of the opposition as they contemplate the probable action of Congress. I hear no complaints from them of an overabundance of minor coins, however, nor do complaints reach my ears concerning the annoyance of this portion of their currency from our English neighbors, and yet the tons of metal that can be absorbed by England or the United States in this subsidiary coinage, with hardly a thought of its enormous bulk, is somewhat surprising. The weight of the English fractional currency, according to Jevons, in bronze coin is as follows:

Denominations.	Tons.	No. of pieces.	Nominal value.
Pennies	1,585	170,419,000	£710,082
Half pennies	918	164,505,000	342,719
Farthings	149	53,594	55,826
Total	2,652	388,518,000	1,108,627

The weight of the entire English currency is approximately:

Paper currency	Tons.	16
Gold currency	786	
Silver currency	1,670	
Bronze currency	2,652	
Total	5,124	

I feel perfectly satisfied that if silver is remonetized, notwithstanding the immense weight of the metal in circulation, a great many of our citizens may be found who, with a prospective change of possession before them, can be induced to obey the scriptural injunction of "Bear ye one another's burdens."

I trust the honorable gentleman from Massachusetts [Mr. BUTLER] will pardon me for plagiarizing his method of argument in this one case.

Thus far we have dealt with this question on the ground of our adversaries, all the time consenting to their oft-repeated assertions that the four-hundred-and-twelve-and-a-half-grain dollar would not when remonetized have the purchasing power of the gold dollar or anything like it, that the enormous product of silver in the last few years had permanently depreciated it. I see from their speeches that several learned Senators are advocating dollars of 420 grains and dollars of 435 grains and every other kind of a dollar than the old monetary unit by which we have measured our contracts for nearly a century, (for the old silver Spanish dollar from which ours was copied was the favorite coin of the colonies,) and I have set over against their cry of "counterfeit dollar," "debased dollar," "ninety-two-cent dollar," the "puffed-up dollar," the "overvalued dollar," and the "dollar of one hundred and ten cents."

Nothing can be clearer, nothing seems to be better established by a multiplicity of authorities than that when silver is discarded as a legal-tender metal it confers an immense abnormal power on gold, and, if all discussion on this subject was at an end and the money gamblers of the world were confident that gold, and gold alone, reigned supreme, the rise in its market price would be sharp and decisive, and even as it is to-day who can answer this question: What is the real price of a gold-dollar coin? I urge remonetization to prevent, as much as it lies in the power of this Government, the inevitable future increased and fictitious value of gold under a single gold standard.

I urge remonetization to prevent, if possible, at least so far as it lies in our power, the enormous, unnecessary, and cruel destruction of value when by demonetization ten, fifteen—ay, twenty per cent. is taken from the market value of five billion seven hundred millions of silver coin and bullion, every ounce of which is representative of accumulated labor. In addition to this sum of the mined metal, think, too, of the vast store of silver ore in our country; of our western mountains seamed, ribbed, and belted with veins of untold treasure, that lack only labor's magic wand to loose that in its flow it may bless and enrich the whole world.

When I say legislation rather than ore production is responsible for the depreciation of silver, I do not say that production is not in part the cause of the decline, but that legislation is the greater cause. A brief review of the legislation had in Europe and America will prove (to candid minds) my assertion to be true, I think.

England went to the gold standard in 1816, and at once began to bid for gold sufficient for her larger coinage. The ratio which up to 1809 had ranged at 1 to 14 and a fraction, with several sharp changes from that date to 1816 (owing to wars in continental Europe) rising once or twice to 1 to 16 and a fraction, was in 1816 1 to 13 and a fraction, and in 1817, the year succeeding her change to a gold standard, the ratio settled at one to fifteen, and changed only a fraction from that time to 1873, notwithstanding the enormous increase of production in the epoch from 1862 to 1875, as shown in the following table (approximated) by Linderman:

Year.	Production.
1862	£9,040,000
1863	9,840,000
1864	10,340,000
1867	10,845,000
1871	12,210,000
1872	13,050,000
1873	14,050,000
1874	14,300,000
1875	16,100,000

In proof of which assertion I submit the following from a table of ratios, (by Linderman):

Year.	Pure gold to pure silver.
1816	1 to 13.64
1817	1 to 15.58
1818	1 to 15.42
1819	1 to 15.92
1820	1 to 15.71
1821	1 to 15.98
1822	1 to 15.91
1823	1 to 15.91
1824	1 to 15.91
1825	1 to 15.64
1826	1 to 15.69
1827	1 to 15.69
1828	1 to 15.77
1829	1 to 15.77
1830	1 to 15.95
1831	1 to 15.73
1832	1 to 15.73
1833	1 to 15.93

And also a table of fluctuations from 1820 to 1875, being the price per ounce of standard silver in the London market in pence, for each year:

Years.	Fluctuations, extremes.	Years.	Fluctuations, extremes.
1820 to 1836	60½ to 58½	1857	62½ to 61
1837	60½ to 59	1858	60½ to 61½
1838	59½ to 60½	1859	60½ to 62½
1839	60½ to 60	1860	62½ to 56½
1840	60½ to 60½	1861	60½ to 61½
1841	60½ to 59½	1862	61 to 61½
1842	59½ to 60	1863	61 to 61½
1843	59 to 60	1864	60½ to 61½
1844	59½ to 59½	1865	61½ to 61½
1845	58½ to 59½	1866	62½ to 60½
1846	59 to 60½	1867	61½ to 60½
1847	60½ to 59½	1868	60½ to 60½
1848	59½ to 60	1869	60 to 61
1849	60½ to 59½	1870	60½ to 60½
1850	59½ to 61½	1871	60½ to 61½
1851	61 to 59½	1872	60½ to 59½
1852	59 to 61½	1873	59½ to 58
1853	60½ to 62½	1874	59½ to 57½
1854	60½ to 61½	1875	57½ to 52½
1855	60½ to 61½	1876 to December	54½ to 56½ to 52½ to 50
1856	60½ to 62½		47 to 52 to 56 to 58

Mark well the change, according to this table, which "came o'er the spirit of our dreams" (of finance) in 1873 and continued (as shown) in 1874, 1875 and 1876. The ratio of the increase had been nearly uniform, but the price fell from 60½ pence per ounce in 1872 to 47 pence per ounce in 1876, and is now about 54 pence per ounce. "There is a rat in this meal" other than production, and it is legislation, for in 1873, Germany, enriched by the war indemnity France poured in golden showers upon her, forgot her Bible, which reads—

Two are better than one; because they have a good reward for their labor. For if they fall, the one will lift up his fellow: but woe to him that is alone when he falleth; for he hath not another to help him up.—Ecclesiastes, iv, 9-10—

and tried the experiment of trading off her silver coin and buying in enough gold for her coinage, imitating England in 1816. The Latin union as it is called (formed in 1865 to fix the ratio of gold and silver and to avert the threatened fluctuation in the two metals, caused by the influx of gold to Europe from California and Australia) composed of France, Belgium, Italy, Switzerland, and afterward Greece, in self-defense restricted their coinage of silver, and the United States joined in the general onslaught upon this much-abused metal. The result is what the foregoing tables set forth. This union lasts, by the terms of its organization until 1880, and if re-enforced by the United States will have the power to retain its double standard of legal-tender coin. By the terms of its organization, also, none of the nations composing it can demonetize either metal until 1880, which will give us time to confer with them, if we wish, as to the ratio which ought to exist between gold and silver. The following extract from The American Almanac, by A. R. Spofford, Librarian of Congress, gives the condition of their mint restrictions:

By the terms of the monetary league between France, Belgium, Italy, and Switzerland, no government has the power to demonetize silver or change the common monetary unit (the five-franc piece) before the year 1880. The following table exhibits the maximum amount of silver money to be coined for each of the nations which are parties to the league in 1877:

Governments.	Francs.	Equal to—
France	27,000,000	\$5,400,000
Italy	15,000,000	3,600,000
Belgium	5,400,000	1,000,000
Switzerland	3,600,000	720,000
Greece	1,800,000	360,000

Demonetization by Germany, demonetization by the United States, restriction of silver coinage by the Latin union furnish the grand cause of the present low prices of silver, of which fact the tables quoted give conclusive evidence, since they show no material decline in that metal until hostile legislation was brought to bear upon it.

One significant fact attracts my attention. By law of Congress, at the beginning of each year the Secretary of the Treasury is required to report the value of those foreign coins (in the money of account of the United States) which are monetary units or standard coins. He has done so this year, and reports the Spanish dollar at 99.8, two mills below the gold dollar of our coinage only. This Spanish coin weighs 416 grains. He quotes the franc at 19.3, par with our gold. Over in the other end of the Capitol learned Senators are urging us to make silver dollars of 435 grains. Why? These two coins are full legal tender in the countries which use them as standards. Sent home, they possess the same paying power as the gold coins of the same denomination. They are quoted then at such a margin below our gold coin as it will cost to send them home, and that is all.

The value of the bullion in the Mexican silver dollar does not exceed to-day ninety-five cents, yet its value as a coin is 99.8 cents. I speak of this to show the untruth and deception of the following

quotation from a memorial recently sent to members of Congress by the committees of the banking associations of New York, Boston, and Philadelphia:

A silver standard will be as mischievous in the domestic as in the foreign commerce of the country. Its value will be determined not by the uses to which it is put at home, but by the price of silver bullion as merchandise in London, the great market of silver for the world.

The present market price of the Mexican dollar stamps the above as utterly false and gives us a potent argument in favor of our position, i. e., that remonetization by the United States will materially raise the price and value of silver coin made a full legal tender by act of Congress.

Now comes the question, "Will legislation on the part of the United States fully restore the old price of silver?" to which no one not gifted with the spirit of prophecy can make sure reply; but when we have answered in the affirmative two other questions I am satisfied to risk an affirmative on the first. These two questions are Can the world absorb the present production of silver? and Will the present unusual yield be diminished?

To the first of these two subsidiary propositions I reply, the world has absorbed vastly more than production alone would have compelled it to. For proof of this let me refer to another table quoted from a parliamentary report by Dr. Linderman, Director of the Mint, in his book, Money and Legal Tender; and since the worthy director is an able advocate of the single-standard theory, and heartily opposed to the restoration of the silver dollar, our friends of the opposition will I am certain not accuse me of unfairness in this and my many other quotations from their own authorities.

From 1872 to 1875:

Total production	£54,700,000
Sold by Germany and Scandinavian kingdoms, (change in currency)	8,000,000
Exports over imports in Italy	8,000,000
Exports over imports in Austria	4,000,000

Total 74,700,000

Taken by India	£9,100,000
Taken by France	33,500,000
Taken by Russia	4,000,000
Taken by Spain and Portugal	4,000,000
Taken by England	5,000,000
Taken by United States	7,600,000
Taken by Japan and the East	7,500,000
Taken by the East, other than India, China, and Japan	3,000,000

Total 73,700,000

It seems in these years that the production was entirely disposed of and Germany, Scandinavia, Italy, and Austria had parted with a handsome sum of their discarded silver besides. For the disposition that has been made of silver since the period just named I again quote from Dr. Linderman in his last report. He uses it, as it appears, to sustain his theory that silver is depreciated permanently, that is, I suppose, by production, but it answers my purpose to disprove that theory fully as well. He says:

A circumstance which would appear to prove beyond reasonable doubt that the change in relative value of gold and silver is due chiefly to a depreciation or fall in the value of silver, is that within the last twenty-two months the export of silver to the eastern nations from London and San Francisco has amounted to about \$143,500,000, and that under this unprecedented demand, including the consumption during the same period of about \$28,300,000 for the fractional currency in the United States, making together over \$171,800,000, the average price of that metal has not risen above 54 pence against 60½ pence, the average of 1873.

If silver had not really depreciated, this demand, which probably exceeded the entire gold coinage of the world for the same period, would have carried the price to or above the point at which it ruled before the German money system was changed. In the face of these facts, the assumption that gold has appreciated in value does not appear to be well founded.

The doctor says the price of silver has not risen under the stimulus of this demand over 54 pence per ounce, which is true, but he fails to state that it has risen from 46½ pence to that point; and when I take into consideration the fact that remonetization by the United States opens the door for the absorption of silver largely in excess of the amount Europe has to dispose of, and the further fact that the \$143,500,000 of silver sent to the eastern nations in the last twenty-two months is largely more than double the production for that period, I believe I am fully warranted in my position relative to the first subsidiary proposition heretofore spoken of, which is that the world can absorb more than the present production of silver.

Now, in reference to the second subsidiary proposition that is, Will the present unusual yield be diminished? Having begun to quote from the opinions of the Director of the Mint (Dr. Linderman) I find the habit grows upon me, and on this point I submit also his testimony; which is as follows:

It is impossible to state with any degree of accuracy how long this large rate of production will be maintained. A gradual increase in Montana and Arizona may be expected, and there is nothing to indicate a decrease in any bullion-producing State or Territory except in the State of Nevada, and that depends upon contingencies which, to a great extent, must be a matter of conjecture only. Several mines in different localities in that State have, within the last year or two, been opened and are producing considerable bullion. But whether they and others which in the mean time may be discovered will yield sufficient to make up the decrease which sooner or later [unless some other ore bodies on the Comstock shall be found] must take place, is somewhat doubtful.

The italics and brackets are mine.

I will now give the table of the world's total production each year from 1800 to 1877:

Years.	Production.	Years.	Production.
1800	\$32,800,000	1839	\$22,000,000
1801	30,900,000	1840	24,000,000
1802	31,400,000	1841	25,000,000
1803	35,800,000	1842	25,500,000
1804	39,500,000	1843	28,000,000
1805	39,200,000	1844	32,000,000
1806	36,800,000	1845	30,000,000
1807	34,400,000	1846	31,500,000
1808	33,400,000	1847	34,000,000
1809	37,500,000	1848	39,000,000
1810	31,400,000	1849	38,000,000
1811	26,400,000	1850	43,900,000
1812	21,300,000	1851	40,500,000
1813	22,700,000	1852	40,600,000
1814	22,700,000	1853	40,600,000
1815	18,600,000	1854	40,600,000
1816	21,300,000	1855	40,600,000
1817	20,800,000	1856	40,700,000
1818	24,100,000	1857	40,700,000
1819	24,400,000	1858	40,700,000
1820	22,600,000	1859	40,800,000
1821	19,500,000	1860	40,800,000
1822	22,700,000	1861	42,700,000
1823	21,000,000	1862	45,200,000
1824	21,300,000	1863	47,200,000
1825	20,500,000	1864	50,700,000
1826	20,200,000	1865	52,000,000
1827	21,600,000	1866	50,700,000
1828	21,500,000	1867	54,200,000
1829	22,800,000	1868	50,200,000
1830	22,000,000	1869	47,300,000
1831	22,000,000	1870	51,600,000
1832	21,000,000	1871	61,000,000
1833	21,000,000	1872	65,200,000
1834	21,000,000	1873	70,200,000
1835	20,000,000	1874	71,500,000
1836	20,000,000	1875	70,000,000
1837	20,000,000	1876	76,000,000
1838	20,000,000	1877	70,000,000
Grand total from 1800 to 1877			2,741,300,000

This table shows no increase since 1873. Production for four years has been virtually stationary. Absorption, however, has disposed of not only all that has been produced, but has made large inroads upon the amounts the various demonetizing and restricting countries have thrown upon the market.

The increase in production since 1800 has been steady, and it has been a large increase, but has it increased any more rapidly than civilization has spread? Has not also the demand for coin increased? Has not also the demand for use in the arts increased? Will it not continue to be subject to an increasing demand in the ratio of increased production, if production *does* increase? Who can tell? But it is far more likely that a demand once made will continue even after production begins a decline. If so, prices would go up to restore the equilibrium; *they are rising now*; production has become stationary; the demand is kept up.

Now I will give the proportion which the amount of bullion from the Comstock bears to all other sources of supply (estimate for 1877 from the Bankers' Magazine) for the United States:

Comstock lode	\$19,000,000
Outside the Comstock	11,480,000
Arizona	1,200,000
Total	31,680,000

A large percentage of the gross product of the Comstock is in gold.

From the above it is clear to any one that the great increase in the world's production of silver is due largely to the yield from this celebrated lode, which is admitted by all to have reached and passed its maximum yield, for it is also admitted that there is no increase of production outside of the United States. With this exhibit and statement I answer the second subsidiary proposition, if not in the affirmative, by saying that the *probabilities* are strongly that way. And from the conclusions reached in reference to these two subsidiary propositions I believe I have given reason "for the faith that is within me," to wit: that legislation on the part of the United States will nearly if not quite restore silver to its old place and price.

I desire now to refer to the oft-repeated assertion that silver fluctuates in price even under the most favorable circumstances with which legislation can surround it, and hence that it is less desirable for a standard on *that* score, if for no other reason. This I deny, and in proof of my position I give a table of Jevons, showing the variations in price of gold and silver bullion. Mark you, this is not the price of silver measured by gold, by which process it is easy to charge the fluctuations of both metals to silver alone, but it is the fluctuations of these two metals in their *purchasing power* measured by *all*

other commodities, and is the only test that has a semblance of fairness in it:

Year.	Gold.	Silver.	Year.	Gold.	Silver.
1798	100	100	1810	116	111
1799	100	103	1811	109	118
1800	100	111	1812	123	122
1801	109	115	1813	130	133
1802	108	109	1814	134	123
1803	103	108	1815	120	105
1804	103	105	1816	120	94
1805	103	109	1817	103	91
1806	103	108	1818	103	97
1807	103	106	1819	105	99
1808	103	105	1820	103	93
1809	103	106	1821	100	91

A study of the foregoing table will prove profitable, and convinces me that gold has no superiority over silver in stability when their monetary conditions are the same.

I find, therefore, that we have the legal and moral right to restore silver to its place in the coinage.

I believe that the compensatory action of the bimetallic standard is a great preventive of crises and forms the safest measure of values. I believe that to cling to the single standard will enhance the price of gold and increase the burden of our debts unwarrantably. I believe that remonetization of silver will serve to stay the further depreciation of property and pave the way to a safe return to specie payments so soon as the reviving industries of the country bring to us the means to do so. I believe that no man can foresee what the exact price-relative of gold and silver will be until we have actually remonetized it; hence I urge as the most just, and safest action the restoration, not of a silver dollar but of *the* silver dollar of 412½ grains. When that is done a readjustment if necessary of the gold and silver coins can be intelligently begun, and not until then.

I believe that we have nothing to fear from an increase in the production of silver, but that we, as the chief silver-producing country, ought to stimulate rather than retard the production of this metal.

I shall vote as I have voted, for the remonetization and re-establishment of the silver dollar of 412½ grains, and that so much bullion may be purchased by the Government from month to month for the coinage of this dollar as the capacity of our mints to coin may indicate. The proposed amendment of the Senate, that not less than two nor more than four millions per month be purchased, seems to me to be a just and wise provision, whereby the difference between the coin and bullion value of silver may be saved to the Government.

In conclusion I desire to refer in brief to the manner in which this subject is handled by some of the opposition. I quote from the speech of my friend from New Hampshire, [Mr. BLAIR:]

But there is one other form in which the proposition is put by the silver men. They decline to pay in gold, and say they will pay in silver or not at all, and if their creditors will not receive ninety-two cents for one hundred they will destroy their property and break up society. Very well; proceed. Those who, living in the Mississippi Valley, turn it into a maelstrom will get as much grinding out of it and as little grist of good out of that mill as those who live on the outside of the destroying circle. The East may be robbed until she is hungry, but she earned the money which is developing the West and which held the South in the strong grip of national integrity, by generations of industry and habits of honest living. She has been able to exist and to lend. Should she lose her investments abroad through the knavery of her countrymen, she will still be able to dig an honest living from her rocky hills. If she is paid any part of what she has lent, she will take what she can get, and hereafter the western repudiator will borrow what he can get, and by the time his improvised anarchy has become settled and serene he will have a more lively sense of the obligation of contracts.

Why, sir, one little city of seven thousand people, the city of Keene, in my district, has \$1,500,000 invested in the securities of the West. Millions of the hard-earned savings of the laborers of New Hampshire are loaned at rates of interest sanctioned by local laws all through the northern belt of the great valley-garden of our country and of the world. The great mass of this accumulation has come down to us from former generations. It represents the toils and sacrifices of our fathers and mothers for two hundred and fifty years. We have lent it in good faith to the owners of an agricultural El Dorado, compared with which our own rough and barren chance in life has been as the flinty rock to the gardens of the Lord. We have lent it to our brethren and sons upon their own terms, secured, as we thought, by their honor and their property. With its use they have developed until they are America. In ten years they can double our development and accumulations for centuries. While they have still carried their loan they have more than quadrupled their property by its use, and now they threaten us that they will repudiate the whole unless we will discount 8 per cent. of the principal. For this there is no excuse but the highwayman's. The debtors of the West are not called upon to pay their debt. They are only desired to pay their interest, manifest the instincts of common honesty, and retain their loan as long as they desire. That they can do, and they will some time learn that their true friends were the eastern capitalists, and not the brawling communists of the prairie nor the upspringing representative of the new and solid South, with one hand clutching the key to the Treasury and with the other lighting the fires of discord with the national bonds which preserved to him in his own hour of madness a country and the privileges of freedom.

But I protest that these men do not represent the hearts and purposes of the American people. Our countrymen, North and South and East and West, are honest, and will never knowingly perpetrate a wrong. They may be misled, and I believe they are now misrepresented; and, so believing, I appeal from the madness and folly and demagogism of the present hour to the calm verdict of the swift-coming future.

I am always willing to sing the praises of New England. I thank God for the civilizing and enlightening influences which have emanated from Plymouth Rock. I delight to own Vermont as my native State and to acknowledge that I learned my alphabet in Massachusetts.

setts; and I am also proud that I learned republicanism and love of liberty and free institutions in Kansas in the troublous days of '55 and '56, among these same men whom my friend denounces as the "brawling communists of the prairies." It was these same "brawling communists" whose brawny arms swung the sledges of "free speech" and "equal rights" on the anvil of public conscience and wrought and fashioned out of the iron of popular sentiment, with dextrous blows, the grand republican party which my friend delights to honor and to point to as the power that preserved the integrity of the Union.

Now, my friend, in my opinion you are wrong and most unwise. When we stand here and urge you to accept in payment of the debt we owe you that commodity which the law governing our contracts expressly stated we might pay you in if we chose, and when we tender you the exact number of grains of pure silver which we agreed to tender you upon the maturity of our obligations, how and wherein do we resemble highwaymen and communists? When we have passed the pending measure, which insures to us only justice, if we find our silver dollar worth as much as the gold one, we shall not complain; but we shall complain, and most bitterly, if we are compelled to pay in dollars worth one hundred and ten or one hundred and twenty cents.

Now, my friend, your good people of Keene did not lend us that \$150,000,000 from pure philanthropy; not so much from love of brethren and sons as from love of 10 per cent. interest; not so much from a desire to improve our farms as a wish to re-shingle your barns. We have not quadrupled our property by the use of your loans—not much, my friend; not much. The name of your Keene (sometimes very keen) constituent in many cases graces the tax-rolls and appraisement-lists where the hardy pioneer first wrote his; the pioneer is out on the frontier prairie now, "homesteading" a place, that by and by, with God's blessing, he hopes to make his own; and your Keene friend now has the privilege of quadrupling his property (if he can) by borrowing money at 10 per cent. of another constituent of yours, and paying for it with corn at fifteen cents per bushel in gold. All this is not to the point, however; whether we have profited or not by your loan does not affect the contract, what is your due, that you shall have, but we cannot afford to pay you more, and it has only been a good-natured warning which we have given you, not to reach too far, lest in the strain you let fall that you now have a firm hold upon.

One word as to the concluding sentences of this quotation. Whether the western Representatives upon this floor are demagogues or not I do not know, but the charge of misrepresenting our people I indignantly deny, and I desire to state that of the forty or fifty newspapers published in my district, which has a voting population of about forty thousand, there is not one, I believe, that does not advocate the silver dollar of 412½ grains, nor of the hundreds of letters that have come to me is there one I now recall as urging objections to remonetization. There must be some truth and some sincerity where there is such unanimity.

You, gentlemen of the East, come here every session of Congress to protect by the maintenance of a tariff your manufacturing interests. You do this, you say, in the interest of the "American laborer." You tell us truthfully that that manufacturing is only a cunning process by which labor is interwoven and intermixed with the fiber of the raw material, by which process a new and increased demand is made for these products of toil, and by which hundreds and thousands are enabled to buy that food which the rich soil of the West enables us to produce in such abundance. Good; so be it. Now we come here and tell you of the vast mineral resources of our far west States and Territories, of the locked treasures of that precious metal, which all the world buys for coin and for the arts, and we ask you to give the greatest possible value to it, that more of the idle thousands of the land may be encouraged to expend their labor in its production. Now, gentlemen of the East, do not mistake us for enemies; we are your sons and your brethren; we gladly acknowledge the relationship; your interest is largely our interest; if you cannot strike hands with us in the sentiments we express in debate upon this question, at least accord to us that integrity of purpose you claim for yourselves and that love of country and love of national honor that a common ancestry taught us before we left your rocky hill-side homes for the smiling prairies of the West.

I do not know how much benefit the great mass of the people will derive from the remonetization of silver. I incline to the opinion that it has been by some largely overestimated, but I do believe it will check the decline in producing property. It is just; it will be beneficial to an extent; it wrongs no one; and, having decided upon the first proposition submitted in the old maxim, "Be sure you are right," I desire much to see Congress obey the final injunction of the proverb "Then go ahead," and that speedily.

Table showing the changes in the three systems decided by law, and in abeyance since 1871.

[From Linderman's Money and Legal Tender.]

Under gold system.	Population.	Under gold and silver.	Population.	Under silver system.	Population.
England.....	32,000,000	Spain.....	16,400,000	Russia.....	76,000,000
Portugal.....	4,000,000	Greece.....	1,400,000	Egypt.....	4,500,000
Turkey.....	27,000,000	Roumania.....	4,000,000	Mexico.....	9,200,000
Persia.....	4,400,000	Colombia.....	2,900,000	West Indies.....	600,000
Australia.....	1,950,000	Venezuela.....	1,600,000	Central America.....	2,600,000
Cape and Canada.....	4,370,000	Chili.....	1,900,000	Ecuador.....	1,300,000
Brazil.....	10,200,000	Uruguay.....	400,000	Peru.....	3,400,000
Argentina.....	1,800,000	Paraguay.....	1,200,000	China.....	425,000,000
Joined:		In abeyance:		India.....	195,000,000
Germany.....	41,100,000	Austria.....	36,000,000		
Denmark.....	1,800,000	Japan.....	33,000,000		
Sweden.....	4,300,000				
Norway.....	1,700,000				
United States.....	32,600,000				
In abeyance:					
Holland.....	3,700,000				
France.....	36,200,000				
Belgium.....	5,100,000				
Switzerland.....	2,700,000				
Italy.....	26,800,000				
Total.....	247,720,000		98,800,000		717,600,000

PENSIONS TO SOLDIERS OF MEXICAN WAR, ETC.

Mr. BELL. Mr. Speaker, governments, under all forms, in all ages and every type of civilization, have manifested in some way their appreciation of the public service of their citizens or subjects. The achievements of statesmen and the triumphs of warriors are carved in bronze, chiseled in marble, or colored on canvass, and thus distinguished virtues and great deeds are preserved to history and transmitted to posterity. This tribute of admiration to greatness is creditable to human nature, although its expression is often long delayed and frequently partial when bestowed.

The highest evidence of right to public gratitude which the citizen of this or any country can give is the offering of his blood and his life to the Government in the defense of its liberty, the vindication of its rights, and the honor of its flag.

The Government of the United States has evinced its appreciation of the service of its citizen soldiery in providing by law, in the form of pensions, a support for them when disease contracted in camp or wounds received in battle or advanced age or physical infirmity rendered them unable to secure it for themselves. This may be regarded as the settled policy of the Government, the only exception to it being in the case of the soldiers of the Mexican war and the Seminole, Creek, and Black Hawk Indian wars. Whether the support is always

commensurate with the merits or necessities of each particular case, or whether the pension in some particular instances may not be fraudulently obtained, are questions that I do not now propose to consider. There is no American citizen who does not now feel that the pittance granted to the heroes of the Revolution of 1776 was a poor return for the heritage of freedom won by their valor on the field and embodied by their wisdom in the Constitution. And there is no American citizen, I apprehend, who does not regret, since the death of the last of that band of heroes, that more liberal and just provision was not made by the Government for their comfort and support while living. But the opportunity to cancel that high obligation is now gone, and those who had it in their power to discharge it and failed to do so are left to the reflections which remorse alone can suggest, the never-failing penalty of neglected duty.

The soldiers of the Mexican war and of the Seminole, Creek, and Black Hawk Indian wars, after waiting thirty years for the Government to do them the same measure of justice it has its soldiers in other wars, in conformity with its established policy, and waited in vain, have at length appealed to that Government which they so faithfully served for that right which has been so long deferred and so persistently refused. These veterans pay without complaint their proportion of twenty-eight millions annually in pensions to the sol-

diers of the Union Army in the late war between the States. They likewise pay their part of thirty-eight millions annually to support a skeleton Army of commissioned officers to guard the Texas border from incursions of the banditti whose country the Mexican soldiers conquered. They pay taxes also to support the establishment at West Point for the education, at public expense, of future officers of the Army of the United States, to be maintained, at the public expense, in peace as well as in war.

They do not understand how the Government can deny their claim and at the same time exhibit such princely liberality in granting, in subsidies, \$4,500,000 to the Pacific Mail Steamship Company to transport Chinese into California to be sold into slavery, and \$1,387,500 to the United States and Brazil Steamship Company, and \$64,623,512 in bonds and thirty-one millions of acres of the public lands to the Pacific Railroad, and yet be unable to pay a pension of \$3 per month to a few hundred old men whose valor won an empire from a foreign foe and cast it, glittering with gold, at our feet. There is no difficulty in understanding how the Government became able to give so much land and money away: the soldiers recovered it for the Government from Mexico. But the difficulty consists in reconciling the conduct of the Government, according to the standard of any nation, civilized or savage, with right or justice, in giving the domain and treasure, bought with the blood of the brave, to soulless corporations, and refusing to pay to the soldier that which in all other instances the Government itself has recognized to be the highest obligation. If the wish of the people of this country could have found expression through the forms of law, justice to these men would not have been denied in the past; and if it is now permitted to have utterance it will not be delayed for a day in the future.

To subject them to the humiliation of asking for a right so manifestly clear is itself an act of gross injustice. A Government inspired with gratitude for distinguished public service would have magnanimously shown it when the first occasion was presented. I do not propose to discuss the details of the bill reported to the House by the committee. I shall certainly give it a most cheerful support, and would prefer it if it were even more liberal in its provisions for the widows and orphans of the dead soldiers. What I propose is to examine the ground upon which the claim for pensions is based, and to insist, with all possible earnestness, upon its earliest recognition. Who are these men? What service have they rendered to the Republic? Engaged in the peaceful pursuits of civil life, surrounded with domestic joys in the charmed circle of home, unused to the discipline of the camp, and untrained in the art of war, when their country became involved in the war with Mexico, without a regular army, upon its call for volunteers they came from the field, the counter, the office and the shop, unallured by the phantom of glory and uninspired by the god of ambition to respond to that call. The ardor of their patriotism superseded the training of discipline, and their first field developed volunteers into veterans—a community of citizens at home into an army of conquerors in Mexico.

Their example taught the world that large standing armies, the instruments with which tyrants destroy liberty, are not necessary to the security of free states; that while the genius of our system vests or acknowledges power in the people, it rests for its support upon their affection. It demonstrated that the United States could improvise an army of citizen soldiers equal to any emergency of defense or conquest, of which truth the war with Mexico was at once the illustration and the evidence, and that while with the mercenary war is a trade, with the volunteer citizen right is the object and patriotism the inspiration. Upon the close of the war, reversing the order of transformation of citizen to soldier, from soldier back to citizen, and equally a patriot as citizen or soldier, they resumed their places in civil life without a ripple upon the surface of society, the pride of the country and the admiration of the world. In all the world none could be found who failed to appreciate their patriotism and the trophies of their valor, save the Government they so faithfully served, whose honor they so signally vindicated, whose prowess they so gloriously illustrated, and to whose domain their heroism added an empire richer than all the Orient.

If these men have accomplished nothing more than the demonstration of a military prowess that placed the United States in the van of the greatest powers of the earth they would have been entitled to the gratitude of their country and their kind. The war with Mexico showed the possession by the Government of military resources that straightened the labyrinthine mazes and smoothed the rugged pathways of diplomacy, discovering to the great powers of Europe other modes of settling national controversies with us than the last resort of kings—the sword. In considering this claim of the Mexican soldiers upon their Government, their hardships and sufferings are not to be ignored. They were such as are incident to all wars, intensified by an unheathy climate. Subjection to the restraints of a rigorous discipline, the weary march, the fearful contagion, the dreaded hospital, the anxious uncertainties of life in the hour of battle, the absence of all comfort in bivouac, and unremitting toil, taxing every resource of physical endurance, and an absence that any hour might make final from loved ones at home—these were all borne with a resignation that never murmured and a courage that never faltered.

The uniform that distinguishes the soldier is the garland that festoons him for the altar. Heroism is exhibited in suffering as well as

in doing; as well in the disease of the hospital as in the struggle of the field. Nor should we forget the claims of those stricken ones, whose husbands and fathers fell either by disease or in battle, who were denied the sad solace of dropping on unmarked graves in a foreign land affection's last offering—the tribute of a tear. Their claim is sealed in blood and sanctified by the sorrows of widowhood and orphanage. Can any appeal to the justice or gratitude of their Government be stronger than that which they urge?

But let us put this claim on another ground—on what the lawyers would call a *quantum valebant* count—and see how the questions stand in that light. What has the service of these soldiers availed the Government in the increase of its wealth, the expansion of its domain, and the augmentation of its power? What are the results of their triumph? California, Colorado, Nevada, Arizona, Utah, New Mexico, and Wyoming were conquered from Mexico.

Look at California alone! That State now has a population of 800,000, with an area of 188,981 square miles or 120,947,840 acres, more than the combined area of New England, New York, and Pennsylvania. In 1872, 3,670 vessels bore to the great commercial emporium of San Francisco 1,237,227 tons of commerce. The State paid into the Federal Treasury in customs duties alone, \$3,184,481. The same year she shipped in coin, bullion, gold dust, and the precious metals \$19,049,048, and paid in taxes \$9,500,000. The production of gold in that single State for a period of twenty-five years ending in 1872 amounted to the enormous sum of \$990,600,000. With commercial advantages unsurpassed, agricultural resources sufficient when fully developed to supply her own people and feed the famine-stricken countries of the East, unrivaled in the salubrity of her climate, the fertility of her soil, the richness of mines, the magnificence of her scenery, and the activity and enterprise of her people, she stands, if not the envy, the admiration of her older sisters in the Union.

But the wealth and greatness of this State does not exclusively consist in the richness of her mines, the extent of her commerce, or the value of her agricultural products. Twenty colleges and universities adorn her hills and valleys, affording superior advantages for the higher cultivation of the arts and sciences. Two hundred and one newspapers and periodicals, with a circulation of 94,100, enlighten the public mind upon all questions affecting their political, social, and material interests. Sixteen hundred and twelve schools invite her children to the fountain of knowledge, and nearly one hundred libraries, numbering over two hundred thousand volumes, supply the means of continuing an intellectual cultivation begun in the schools. Religious instruction is received at five hundred and thirty-two churches, accommodating 195,585 persons, and how much these elements and instruments of progress and greatness have been increased since 1872 I have no means of ascertaining.

If we add to California the area, population, and wealth of Colorado, Nevada, Arizona, Utah, New Mexico, and Wyoming, we have an area of over 937,875 square miles—an empire in extent, wealth, and population in a high state of Christian civilization added to the Republic. These are the material results of the war with Mexico, wrung by the valor of the men whose claim I urge from a foreign foe, on foreign soil, and cast at the feet of a hitherto ungrateful Government. Statesmanship had but little agency in this grand acquisition. Diplomacy only formulated at Guadalupe Hidalgo what blood had purchased at Buena Vista and Cerro Gordo. What the future of this immense empire will be time alone will reveal. Three States are already admitted, and Arizona, Utah, New Mexico, and Wyoming will soon add four more to the circle of the sisterhood, with undefined resources of wealth and elements of development, supplying a home for unnumbered millions of free, active, enterprising, and happy people.

These treasures eclipse the trophies of the famous legions of Cæsar. The Mexican veterans secured them from the public enemy and presented them to their Government, and ask in return a compensation in the form of a pension which one-sixth of the customs duties paid by California alone into the Federal Treasury would annually discharge. And they present as an indorsement of this claim the action of the Legislatures of fourteen States of the Union instructing their Senators and Representatives to support it. That patriotism is intense, indeed, that is not chilled by ingratitude so flagrant. If their claim rested on no other ground than the value of their acquisitions it would be indisputable upon that alone; and posterity will be astonished that a right so clear and a claim so just was not canceled without dispute and paid without delay. But the services rendered by the Mexican soldiers does not consist exclusively nor even mainly in the extent and value of material acquisitions. National greatness does not depend entirely upon area of territory nor richness of resources. The type of civilization, the character of the people, their respect for the rights of others and the courage with which they maintain their own, the institutions which reconcile the largest liberty of the citizen with the most absolute obedience to law, the affection of the people for the Government while it exacts their money for its support and their blood for its defense are far greater elements of power than mere extent of dominion or numbers of population. Greece achieved more glory in the defense of Thermopylæ than Rome won in the conquest of Gaul. The most important service those veterans rendered to their government is found in the position their valor achieved for it among the great powers of

the world. It is true that American patriotism and prowess were tested and vindicated in the war for independence and in the war of 1812. But these were defensive wars where heroism caught inspiration from the spirit of liberty in the defense of homes, firesides, and altars. The great captains of Europe, affecting contempt for free institutions maintained by the affections of the people and defended by a citizen soldiery, predicted disaster to our arms in the invasion of Mexico. The strength of our republican system was on trial. The interested monarchies of Europe and the East were the anxious spectators. The men who now appeal to you for justice, led by Scott and Taylor, were the arbiters of this great question. How gloriously they decided it history has recorded. Victory mingled its light with the stars that deck the flag on every field, from the firing of the first gun at Palo Alto until it floated in triumph from the capital of the Aztecs. Invading a foreign country more than a thousand miles from the capital of their own, they were met upon its border by a force four times their strength in numbers, under the leadership of a chieftain already famous in history, aroused by the incentive which the consciousness of defending home and country can alone inspire. With natural advantages for defense seldom found, and obstructions to aggressive advancement rarely met, these heroic men with knightly crests vindicated their country's chivalry, avenged its wrongs, and bore its flag in triumph in every fight and on every field from Vera Cruz to the City of Mexico.

Invincible alike in the skirmish of the *chaparrel*, the charge of the plain, and the assault upon the fort, the graves of more than ten thousand who fell by disease consecrate the line of march with monumental patriotism. In a glorious Army like this, where every officer and every soldier was equally a hero, comparison is inadmissible. But even at this distant day the names of Clay, Harden, McKee, Zell, Ringgold, and Butler excite a pride, kindle an enthusiasm, and challenge an admiration constituting a heritage of national fame far more valuable than the pension sought by their survivors or the empire won by their blood. Of each one of these it may be truly said—

His was the hero's soul of fire,
And his the martyr's deathless name,
And his was love exalted higher
By all the glow of chivalry.

So profoundly impressed were the people of Mexico with the prowess of our Army that they proposed to invest its commander with the chief magistracy of their republic. These men were as much distinguished for their moderation in victory as their courage in battle. They were at once the finest type and truest exponents of American citizens and American soldiers. Since the war with Mexico the military capacity of the United States for any emergency arising from foreign or domestic complications has ceased to be a question. If this war had been fruitless in other results the imperishable luster it shed upon our arms would compensate its cost of blood and treasure and entitle its soldiers to the justice they seek. Much that has been said in favor of the claims of the Mexican veterans applies with equal force to the brave men who served in the various Indian wars mentioned in the bill of the committee. Their military service may not have been distinguished by as many battles nor as brilliant victories, with as large numbers, as that of the Army in Mexico. The results in wealth and domain may have been far less, yet their patriotism was identical, their sacrifices and sufferings were equal, and their title to a pension rests upon precisely the same foundation of faithful military service rendered to their country in the hour of its necessity. Military merit, in the subaltern or the superior, is not always to be measured by the standard of success. The mode of Indian warfare is not governed by the code which controls the warfare of civilized nations. Its very nature imposes all the burdens, inconveniences, dangers, and sufferings incident to all wars, without its "pride, pomp, and circumstance." There is something thrilling in the grand array of opposing forces upon the same plane of civilization, where the destinies of empires are to be determined upon a single field and the current of history changed from the event. The very fact of opposing a foe of equal skill and upon equal terms appeals to soldierly pride for the utmost display of skill and courage and stimulates the ardor of patriotism by adding the incentive of ambition.

Indian warfare includes all the hideous horrors of war without any of its compensating mitigations. The stealthy approach with uplifted tomahawk to the bivouac, the deadly shot from the secret covert upon the unsuspecting victim upon the march, the blazing house consuming the remains of slaughtered women and children, degenerate Indian warfare into horrible massacre or bloody assassination. It was this kind of warfare in which the courage and patriotism of the soldiers were tested in the Seminole, Creek, and Black Hawk wars. They accomplished all that was attainable. They conquered peace; they secured protection to the people; and they vindicated the authority of the Government. They did more: they discharged with fidelity the highest duty they owed to their Government; they have waited forty years for the Government to discharge its duty to them. How much longer shall they wait? How many more in advanced age and extreme poverty will we allow to go down to their graves stung with ingratitude, disappointed in their hopes, and suffering for bread? In the name of the American people, whose sense of justice is outraged at the delay, let us gladden the hearts of

these gallant old soldiers as they stand on the confines of the grave by according to them now that which they should have had a quarter of a century before.

It seems to me that the Interior Department has put itself to much trouble to show, upon a basis of calculation utterly fallacious, that there was a great number of these soldiers, and that therefore it would require a large amount to pay the pensions. This logic that a debt should not be discharged because it is large the country is too dull to appreciate, even if the fact assumed were really true. But it is not true that the number is as large as it is supposed to be. After the most thorough investigation of the question by the Mexican Veterans' Association, covering a period of several years and every State in the Union, the actual number of the survivors of the Mexican, Seminole, Creek, and Black Hawk wars amounts to about thirteen thousand and four hundred, including all that would be entitled to pensions under the provisions of this bill.

The committee in its very able report submits this number as the nearest possible approximation to the truth. The committee shows that \$1,286,400 per annum would pay the pensions, and that this amount would constantly decrease, as the average age of the beneficiaries is about sixty years. Compared with the resources of the Government and the merit of the claim, the amount dwarfs into a trifle. If it were impossible to pay this amount could we not retrench some extravagant and useless expenditure—some subsidy—and save enough from prodigal waste to discharge an honest obligation? But no such retrenchment, even where retrenchment ought to be had, is necessary for this purpose. These aged soldiers of the Republic have presented their claim. They put it upon the ground—

First. That it is the established policy of the Government to reward in this way the service which they rendered.

Second. They put it upon the ground of the value of these services in the expansion of domain and the acquisition of material wealth.

Third. They put it upon the ground of the sacrifices they made and the sufferings they endured for the public welfare.

And, last, they put it upon the ground of the imperishable luster shed upon our arms by their valor. And standing upon this foundation of truth and justice they appeal to the American people, through their Representatives in Congress assembled, for justice long delayed but never controverted. Shall they appeal in vain? Will no remorse linger in the consciences of men who refuse this claim because complaint cannot come from the silence of the grave? Can some future Congress relieve the present one from responsibility by granting the pensions when the beneficiaries are dead? Can the Government hope to do justice by granting the pension and at the same time save the money by waiting until nobody is left alive to accept it? Let us save the Government from injustice so monstrous and reproach so shameful.

Mr. ALDRICH. I move that the House adjourn.

The motion was agreed to; and accordingly (at four o'clock and fifty minutes p. m.) the House adjourned.

PETITIONS, ETC.

The following petitions, &c., were presented at the Clerk's desk, under the rule, and referred as stated:

By Mr. BAYNE: The petition of James Nimick, for compensation for coal taken by the United States authorities at New Orleans during the late war—to the Committee on War Claims.

By Mr. BRAGG: The petition of the national banks of Milwaukee, Wisconsin, against the passage of the Bland silver bill—to the Committee on Banking and Currency.

By Mr. BREWER: The petition of B. F. Davison and 15 other citizens of Highland, Michigan, against reducing the duty on wool—to the Committee of Ways and Means.

By Mr. CARLISLE: The petition of J. F. Kinney, for compensation for quartermaster stores furnished the United States Army—to the Committee on War Claims.

By Mr. DANFORD: The petition of G. C. Vincent and others, of Harrison County, Ohio, against the reduction of the tariff on wool—to the Committee of Ways and Means.

By Mr. ERRETT: The petition of 81 workers in glass in Pittsburgh, Pennsylvania, against any change in the tariff—to the same committee.

By Mr. HARRISON: Memorial of the Chicago Board of Trade, for an appropriation for the completion of the breakwater at the lake entrance of the Sturgeon Bay and Lake Michigan Ship-Canal in Sturgeon Bay—to the Committee on Appropriations.

By Mr. HUBBELL: The petitions of H. A. Danville and other citizens of Bear Lake, Michigan, and of J. W. Ash and 100 other citizens of Ashton, Michigan, against the reduction of the duty on wool—to the Committee of Ways and Means.

By Mr. MCKENZIE: Papers relating to the claim of S. C. Vick and others for compensation for services performed and for supplies furnished the United States Army—to the Committee on Military Affairs.

By Mr. OLIVER: The petition of Mrs. Kate Butt, Mrs. Mary Reid, and other citizens of Nevada, for an amendment to the Constitution prohibiting the several States from disfranchising United States citizens on account of sex—to the Committee on the Judiciary.